Henderson Far East Income Limited

Consistent income, powered by Asia Pacific growth

MANAGED BY
Janus Henderson
INVESTORS

Annual Report 2025

Annual Report
for the year ended 31 August 2025

Contents

www.hendersonfareastincome.com

Annual General Meeting ('AGM')

The Board invites you to attend the AGM at 12.30 pm on 20 January 2026 either in person or online. Scan the QR code for more details and to register your attendance.

Keeping in touch

Scan the QR code to receive the latest Company updates, market insights, event invitations and more.

Please send any general enquiries about the Company to itsecretariat@janushenderson.com.

Henderson Far East Income Limited aims to find the best opportunities for investing for income in the fast-growing Asia Pacific market. Our team of local experts identify investment opportunities across different sectors in the region, led by an experienced manager with a deep understanding of the Asia Pacific market.

About us

Focused on income opportunities across Asia Pacific.

Many industries considered advanced by investors are still at the earlier stages in their lifecycle within the Asia Pacific region, representing a clear opportunity for growth. Our portfolio is managed by Sat Duhra, who travels extensively in the region, working closely with our on-the-ground local experts. The team targets developing industries, including infrastructure, technology, renewable energy and financial services on a country-by-country basis, to make the most of the growth potential across the region.

Sat and the team aim to identify quality, sustainable high dividend paying companies for income alongside growth companies that are expected to initiate higher dividend policies in line with earnings growth to deliver a combination of income and capital growth for shareholders.

Purpose

The Company's purpose is to provide our shareholders access to a growing income stream and the potential for long-term capital growth from one of the world's most exciting regions.

See p.18 Business model

Income & Growth

"Our portfolio taps into two powerful forces driving Asian markets: a long history of growing dividends that has accelerated in recent years, and some of the exciting structural trends that fuel future capital growth."

See p.10 Fund Manager's report

Sat Duhra
Fund Manager

Harnessing the strong dividend growth trends in the region

Henderson Far East Income Limited

Investment Objective

The Company seeks to provide shareholders with a growing total annual dividend per share, as well as capital appreciation, from a diversified portfolio of investments from the Asia Pacific region.

Portfolio holdings

52

See p.14 Portfolio holdings

Investment focus

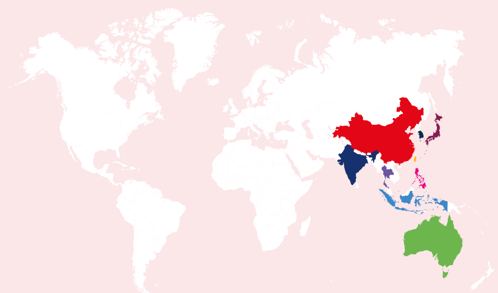
Income & Growth

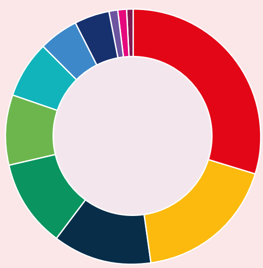
Regional focus

Asia Pacific

Finding opportunity in a growing market

Henderson Far East Income benefits from deep local expertise to find the best investment opportunities for income and growth.





	% of portfolio
China	29.9%
Taiwan	17.9%
South Korea	12.6%
Hong Kong	11.1%
Australia	9.0%
Singapore	7.2%
Indonesia	4.9%
India	4.5%
Thailand	1.1%
Philippines	1.0%
Japan	0.8%

Ongoing charges[3] KPI

1.12%[1]

For the year ended 31 August 2025

2024: 1.08%

Net assets

£408m

As at 31 August 2025

2024: £366m

Dividend yield[3] KPI

10.8%[2]

As at 31 August 2025

2024: 10.8%

MANAGED BY Janus Henderson INVESTORS

1 Calculated using the average daily net asset value

2 Based on the total dividend of 24.90p per share and the closing share price at the year end

3 The ongoing charge and dividend yield are alternative performance measures. These are explained in more detail on pages 81 and 82

Source: Janus Henderson Investors. A glossary of terms is included on page 80

Why choose Henderson Far East Income Limited?

Benefitting from informed insights into Asian markets

Long-held local expertise

The Fund Manager has spent the majority of his career in the Far East. He is supported by an investment team based in the region and travels extensively during the year visiting companies for potential inclusion in the portfolio. The Company's Board includes members with deep experience of Asian markets and business culture, offering informed oversight of the Company's activities.

Tapping Asia's income growth potential

An eye for income

As Asian economies and companies grow, their ability to pay dividends alongside capital growth increases. The Fund Manager seeks companies that are paying income today or on a growth trajectory that could fund income payments in the future. This approach has provided income growth to the Company's shareholders for 18 consecutive years.

Investing in innovative solutions only available in Asia

Evolving industries in emerging economies

Innovation has been a dominant driver of US and European markets over the last two decades. In Asia, leaders in electric vehicles, semiconductors and e-commerce are benefitting from global demand. Meanwhile, local economies require local solutions, with financial technology and information technology infrastructure providing opportunities for investors in Asia.

Using the investment trust structure to add to investment strategy

Structural support

To meet its aim of offering a growing income and investment growth over time, the Fund Manager seeks to benefit from the investment trust structure. This includes using gearing to gain greater exposure to the market and writing options to boost the income generated from lower-yielding stocks.

Our investing themes

Five megatrends in Asia

Infrastructure build-out

Government commitments to a renewable transition in India and China combined with significant, rising power demand is driving ongoing growth for infrastructure providers.

Emerging consumer champions

The middle classes are expanding across Asia. Domestic consumer champions – with the potential to grow through the region and further afield – offer an opportunity to benefit from this.

Financial inclusion

Banking access is expanding rapidly in India and Indonesia. When coupled with the rise of digital payments across multiple subsectors, this represents a structural change in the region.

Infrastructure for tech arms race

Asian companies lead the world in semiconductor production. Others provide unique tools for Artificial Intelligence ('AI'), electric vehicles and cloud services, used by technology companies around the world.

Corporate reform

South Korea and China have both introduced significant corporate reform initiatives. These could boost shareholder returns, through improved valuations, increased dividends and share buybacks.

Thematic focus: corporate reform

Corporate reform has been overdue in Asia for some time. Japan's government and central bank saw significant success in reforming the country's shareholder and business culture over the last decade and a half. This has influenced Korea and China to follow suit, with a number of positive corporate reform initiatives.

In Korea, we own insurers and automotive companies, which have a deep valuation discount and rising dividends. The country's corporate reform proposals include incentivising paying higher dividends through the tax system.

In China, we have added some state owned enterprises to the portfolio. The proposals from the Chinese state include capital market development, incentivising higher dividend payouts and improving shareholder returns more generally.

Five stocks experiencing improving corporate reform

	Company	% of portfolio	Market value £'000
1	First Pacific	2.48	10,745
2	SK Square	1.94	8,394
3	DB Insurance	1.65	7,126
4	Samsung Fire & Marine	1.42	6,152
5	Hyundai Motor	1.16	5,037

Source: Janus Henderson Investors as at 31 August 2025

Janus Henderson Investors

Our manager

Henderson Far East Income Limited is managed by Janus Henderson Investors.

Janus Henderson Investors is a global asset manager with over 350 investment professionals and 25 offices globally, employing over 2,000 people and managing £359bn of client assets.

A long journey together

Janus Henderson Investors has extensive experience in managing Henderson Far East Income Limited, having overseen its investments since 1992 following Henderson's acquisition of Touche Remnant.

The fund management team benefits from the insights of around 70 analysts across different sectors and regions. The team's long-held philosophy focuses on finding future growth potential at a reasonable price. This philosophy is embedded in the team's culture, along with a substantial investing experience in the Asia Pacific region.

Investment trusts, understood

Janus Henderson Investors has been involved in investment trusts since Henderson's inception in 1934. It is one of the largest investment trust asset managers in the UK, and currently manages eight investment trusts. As a result, Henderson Far East Income Limited benefits from the support of a dedicated investment trust team, including specialist legal, accounting, marketing and sales support.

Assets under management

£359bn

Employees

+2,000

Offices globally

25

Investment professionals

+350

Source: Janus Henderson Investors as at 30 September 2025

Fund Manager

See p.10 Fund Manager's report

Sat Duhra

15 years at Janus Henderson Investors
25 years of financial industry experience

Skills and experience

Sat Duhra is a Portfolio Manager on the Asia ex Japan Equity team at Janus Henderson Investors. Prior to joining Henderson in 2011, he worked as an equities analyst at Nomura and Credit Suisse.

Sat holds a BSc degree in economics from University College, London. He is an associate of the Institute of Chartered Accountants of Scotland (CA) and has 25 years of financial industry experience.

Performance summary

Year to 31 August 2025

Performance

See p.10 Fund Manager's report

NAV total return[1] KPI	Share price total return[2] KPI	NAV per share at year end	Share price at year end	Premium at year end[3] KPI
12.7%	13.6%	223.32p	231.00p	3.4%
(2024: 11.9%)	(2024: 16.6%)	(2024: 221.97p)	(2024: 227.00p)	(2024: 2.3%)

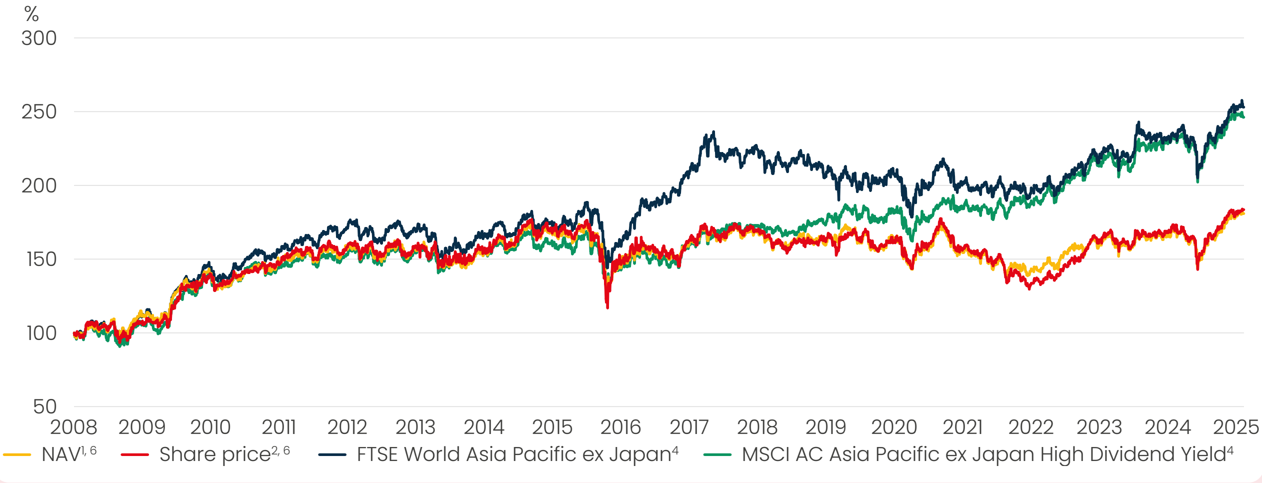
KPI This indicates a key performance indicator ('KPI'). KPIs are used to measure the success of your Company in meeting its objective and by the directors to evaluate the performance of the Fund Manager. See pages 25 and 26.

Total return performance

Total return performance to 31 August 2025

	1 year %	3 years %	5 years %	10 years %
NAV[1, 6]	12.7	9.6	19.7	80.9
Share price[2, 6]	13.6	12.8	18.8	83.5
FTSE World Asia Pacific ex Japan Index[4]	14.1	19.6	35.6	153.1
MSCI AC Asia Pacific ex Japan High Dividend Yield Index[4]	13.9	33.8	67.7	146.2

Total return performance[5,6]



1 Net asset value ('NAV') total return performance with dividends reinvested
2 Share price total return using closing price
3 Calculated using the NAV and closing share price at year end
4 The Company does not have a formal benchmark and uses these indices on a sterling adjusted basis for comparison purposes only
5 All indices are sterling adjusted and rebased to 100
6 The NAV total return, share price total return, NAV per share, premium and ongoing charge are alternative performance measures. These are explained in more detail on pages 81 and 82

A glossary of terms is included on page 80

Sources: Morningstar Direct, Janus Henderson Investors

Performance summary continued

Dividend performance

Total dividend[1]
Per share for the year

24.90p

(2024: 24.60)

Dividend yield[2]
At the end of the year

10.8%

(2024: 10.8%)

Revenue return
Per share

24.98p

(2024: 27.83p)

Dividend growth[3]
For the year

1.2%

(2024: 1.7%)

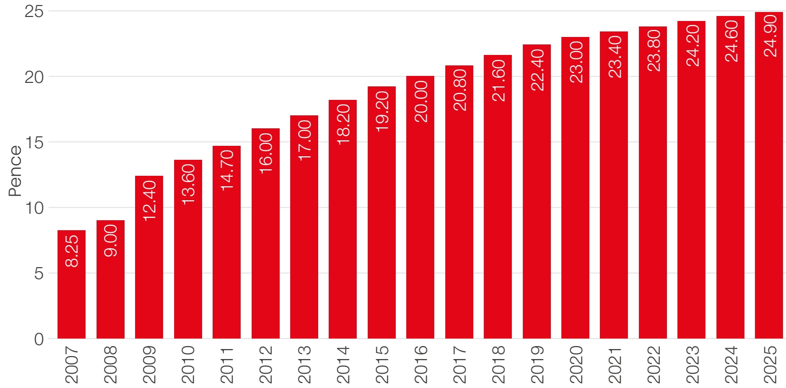
Years of consecutive dividend growth

18

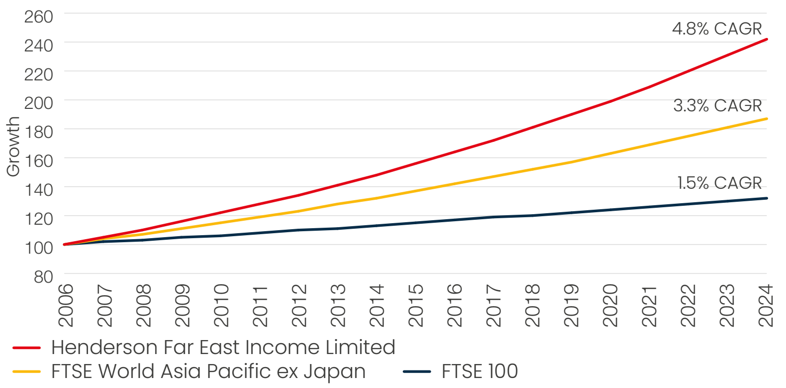
Dividend growth over 10 years

24.5%

Dividends paid by the Company



Compound annual dividend growth rate[4] (‘CAGR’)



1 Comprising four interim dividends
2 Based on the dividends declared in the year ended 31 August 2025 of 24.90p per share and the closing share price of 231.00p per share
3 This represents the four interim dividends declared for the year to 31 August 2025 as compared to the previous year
4 Compound annual dividend growth rate to 31 December 2024 for the Company, FTSE World Asia Pacific ex Japan and the FTSE 100 indices based on normalised ordinary dividends calculated by calendar year

Sources: Morningstar Direct, Janus Henderson Investors

Chairman's statement

Ronald Gould
Chairman

Highlights of the year

NAV per share at year end

223.32p

(2024: 221.97p)

Dividend yield

10.8%

(2024: 10.8%)

Dividend for the year

24.90p

(2024: 24.60p)

18 years

of increasing dividends

Dear Shareholder,

As some of you may recall, my letter two years ago contained a sombre assessment of our results, reflecting a frustration for all of us that ultimately led to a change of portfolio manager and some shifts in our approach. That process of change has continued in the ensuing period with careful adjustments to holdings, position sizes, use of our options strategy, levels of turnover and methods of dividend capture. Our most recent results confirm the value of these changes and it is with pleasure that we present them now in this year's annual report to shareholders. The focus of our efforts during the past two years has been to achieve a better balance, a balance that delivers strong dividends as well as underlying capital growth. We believe we are now firmly on the right path to achieve this combination of income and capital growth with consistency over time, recognising that all markets have ups and downs. Our Fund Manager's report sets out the details of both what has changed and how, but I want to focus on a few key points from the Board's perspective.

The performance of Asian equities in the year to 31 August 2025, shows a period of significant transformation and resilience. Amidst evolving global economic landscapes and regional dynamics, Asian markets have been remarkably adaptable, influenced by rapid technological advancements, growing financial inclusion and major corporate reform. Collectively, these factors have re-shaped investment patterns and outcomes, making this year an intriguing chapter in the ongoing story of Asia's economic development.

Performance

NAV total return for the year ended 31 August 2025 was 12.7%, only marginally behind the FTSE World Asia Pacific ex Japan Index at 14.1% and the MSCI AC Asia Pacific ex Japan High Dividend Yield Index of 13.9%, representing a major improvement in capital growth. The share price total return over the same period was 13.6%.

Pleasingly, our capital return per ordinary share is now in positive territory at 1.42p (2024: loss of 3.68p) once again.

Our dividend yield remains steady at 10.8%, a full 4.2% ahead of our closest peer in the AIC sector.

Taking account of the more balanced composition of the portfolio following our strategic review last year, we will be adopting a new comparator index – the MSCI AC Asia Pacific ex Japan Index and will be using this when reporting to you on the half-year financial results.

Dividend

We declared four interim dividends in respect of the year ended 31 August 2025. These amounted to 24.90p per ordinary share, an increase of 1.2% over the prior year and maintaining our 18 year track record of increasing dividends.

The dividend has been substantially covered by portfolio revenues with a contribution of only £1.5m from reserves. A return to corporate dividend growth in the region gives us confidence that our long-term dividend growth opportunities remain very much intact for the future.

"A return to corporate dividend growth in the region gives us confidence that our long-term dividend growth opportunities remain very much intact for the future."

Share issuance

I am pleased to report that the Company traded at a premium throughout the period, the only constituent of the AIC Asia Pacific Equity Income sector to do so and indeed one of only thirteen investment trusts to regularly issue shares outside of a corporate action in the current calendar year.

In the year to 31 August 2025, the Company issued a total of 17.6m ordinary shares at a premium to NAV generating £39.1m for further investment. In the period from the year end to 7 November 2025, we issued a further 6.3m shares for £15.6m.

Board composition

In keeping with our ongoing Board refreshment plan, Julia Chapman retired from the Board on 29 October 2025, leaving behind an outstanding period as our Senior Independent Director and a guiding force for all of us as we have navigated a difficult period of fund manager and market transition. Carole Ferguson succeeded Julia as the Senior Independent Director on her retirement.

On 5 June 2025, Steven Wilderspin joined the Board as a non-executive director. He brings extensive accounting and auditing experience to the Board and is our Jersey resident director, thereby fulfilling our obligations to the Jersey Financial Services Commission.

Annual General Meeting

The annual general meeting will be held at 12.30 pm on 20 January 2026 at the offices of our investment manager at 201 Bishopsgate, London, EC2M 3AE.

The Notice of Meeting is included at the back of this annual report and I encourage all shareholders to attend the meeting if they are able to, or to vote their shares ahead of the meeting. For shareholder democracy to be effective, your vote is important and appreciated.

The Fund Manager will provide his usual presentation on the financial year just concluded and his outlook for markets in the Asia Pacific region in the current year.

Outlook

After a fraught and confusing period for Asia's equity markets, the outlook for stocks and dividends in the Asia Pacific region is decidedly positive, notwithstanding a few areas of concern. Despite the challenges posed by US trade tariffs which continue to morph and change, the region shows strong potential for growth. This growth is being fuelled by relentless technological innovation, a massive growth in financial inclusion and corporate reform in several key markets. These elements, along with the burgeoning middle class who are now spending again, are setting a solid foundation for market expansion and increased investor confidence. As trade relationships adjust and evolve, companies in the region are emerging more resilient and competitive, potentially leading to higher dividend payouts and attractive equity performance. Investors can look forward to capitalising on these developments, making the Asia Pacific markets a compelling prospect for the future.

Ronald Gould
Chairman
10 November 2025

Fund Manager's report

Sat Duhra
Fund Manager

Summary

- The Company achieved a net asset value total return of 12.7% in the year to 31 August 2025.
- Over the year, we shifted investment strategy away from deep value high yield companies that would not have participated in recent market rallies towards a delicate balance between high yield and growth companies.
- The geographical split of our income remains diverse with significant increases from Taiwan and Indonesia and continued high income from South Korea.

Introduction

It is useful to reiterate our comments from the half-year report highlighting elevated global volatility, this time induced by the new US administration's broad policy announcements, in particular, with respect to trade. This was illustrated perfectly by the clash of positive sentiment from loosening monetary policy as the Federal Reserve cut rates by 50bps in September 2024, the first cut in over four years, against the severe negative market reaction to the 2 April 2025 Liberation Day tariff announcements. However, there was another twist as equities then staged a quite remarkable rebound with the MSCI AC Asia Pacific ex Japan Index rising 31% from the trough of 9 April 2025 to the end of the period.

In the context of a weaker US dollar and uncertainty around the impact of the various new policies, particularly in terms of trade tariffs, it is also worth reiterating our view that this remains a pivotal period with a potential reversal of the performance differential between US and Asian equities. The broader MSCI AC Asia Pacific ex Japan Index outperformed the S&P 500 Index during the period for the first time since our financial year ending August 2017. However, the drivers of performance were not broad based with North Asia significantly outperforming the Indian and ASEAN[1] markets, and it was notable that, by sector, technology and consumer discretionary were by some distance the winners and energy the laggard.

Improved sentiment around China was key to the rebound. This was despite lacklustre macro economic data which confirmed ongoing pressures on the consumer in a prolonged period of deflation alongside a weak property market. The pivot away from India reflected a huge valuation disparity between the two markets as investors digested the steady flow of piecemeal stimulus measures from the Chinese government, addressing the property and stock markets. These positives were followed by an unexpected announcement on DeepSeek, the domestically developed Artificial Intelligence ('AI') model that upended longstanding assumptions about AI competition and China's position. The low cost nature and high performance of the model surprised global investors, leading them to re-assess the true level of progress that China had made in this key technology battleground and to take more seriously a whole range of tech related developments in China.

In contrast, India was a weak market following years of stellar performance. The market has run out of steam with nominal GDP growth slowing, initial signs of the credit quality of Indian banks worsening, weaker consumption trends and employment prospects depressed. This has all been exacerbated by the comments from the US as they significantly increased tariffs on Indian imports and the Indian rupee hit record lows against the US dollar. Stretched valuations encouraged an investor shift that has seen a marked setback in Indian stock market results in the period.

1 Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam

Performance

The NAV total return was 12.7% in sterling terms over the period with the share price total return at 13.6%. This compared to the FTSE World Asia Pacific ex Japan Index, which returned 14.1%, and the MSCI AC Asia Pacific ex Japan High Dividend Yield Index, which returned 13.9% over the period. The more growth oriented FTSE index benefitted from its larger weighting in low yielding Taiwan Semiconductor Manufacturing Company ('TSMC') and China technology names Tencent, Alibaba and Xiaomi. The MSCI index was a beneficiary of its traditionally large weighting in Chinese financials. While the NAV total return underperformed the two indices, the portfolio produced a second consecutive year of double-digit NAV total return as we shifted away from deep value high yield names that would not have participated in recent market rallies towards a delicate balance between high yield and high growth names. We feel this approach has allowed us to broadly match these growth indices, whilst providing a significantly higher dividend yield.

In future, we will compare performance versus a single index, the broader growth and more commonly used MSCI AC Asia Pacific ex Japan Index as it better reflects our recent shift towards a balanced growth and income composition. This index returned 14.7% over the period, supported by large weightings in the technology sector.

In local currency terms, the FTSE World Asia Pacific ex Japan Index rose 18.5% with the 4.4% strength in sterling impacting returns for the UK investor. China, Hong Kong, South Korea and Taiwan posted strong performance, however, underlying this were structural growth drivers unique to each market. In China, we have mentioned the great revival of technology names following positive news flow on AI investments. Equally important, however, was the performance of high dividend paying State Owned Enterprises ('SOEs'). Improving market sentiment especially benefitted SOEs and domestic retail investors, and insurance companies sought higher yielding domestic equities in the face of falling interest rates. In Hong Kong there was a rebound in the property market as HIBOR, the interbank rate, fell dramatically and supported the attractiveness of our high yield property and telecommunication holdings. In Taiwan, the dominance of AI related names such as TSMC, the global leader in semiconductors, boosted performance as US tech giants battled to invest ever increasing amounts into AI. Finally, South Korea was a huge beneficiary of renewed corporate reform under a recently elected president, with the market up over 75% in US dollar terms by the end of October 2025.

India was the worst performer over the period, followed by the ASEAN markets of Indonesia, Malaysia, Philippines and Thailand. Our exposure to these markets is limited, though we continue to believe India and Indonesia are attractive long term growth markets. Developments over the course of the period have, though, led us to reduce our exposure here. For India, a more positive outlook on private sector capital expenditure, with improved inward foreign direct investment and employment prospects is key. Indonesia is enacting reform of its own, but some of the communication has been less than clear and recent unemployment and static growth has led to some consumer backlash. We are inclined to give the government the benefit of the doubt given some well-planned initiatives to boost growth.

Our key contributors to performance were high yield value companies in China which have been firmly out of fashion for several years. An example is China Hongqiao, the largest global aluminium manufacturer, which appreciated by over 90% whilst paying a double-digit dividend yield. Our China financial holdings, namely China CITIC Bank, China Construction Bank and New China Life, all performed well whilst paying high dividends. Alongside this, we were able to utilise our option strategy to generate income from strongly performing growth companies such as SEA Limited, whose valuation nearly doubled. Quanta Computer and TSMC were also strong contributors. Volatility has allowed us to expand utilisation of our option strategy, allowing us to purchase more of these exciting growth companies whilst maintaining a high and growing dividend per share.

Key performance detractors in the period were the remaining positions in India and the energy sector, despite our low positioning in these areas. Bharat Petroleum, Woodside Energy and Infosys were underperformers and were sold in the period. Power Grid and GAIL in India were weak in the period, but we continue to hold these companies as they increase their dividends from high returns generated from key infrastructure assets. The weaker macro data from Indonesia hurt the performance of Bank Mandiri, another detractor over the period. With Indian valuations now somewhat less stretched, we remain alert to a return pivot to investments in that important market.

Revenue

Dividend income from companies held in the portfolio fell by 11.1% while total income decreased by 3.1% compared to last year. This reflects a return to more normal revenues following the exceptional increase in income last year. Despite this, the year ended 31 August 2025 generated the Company's second highest revenue return per share ever as dividend growth continues to surprise positively in our region. Notably, the financial year just ended, has produced a positive capital return per share for the first time since 2017, evidence of our subtle shift toward achieving capital upside along with high income.

> *"Notably, the financial year just ended, has produced a positive capital return per share for the first time since 2017, evidence of our subtle shift toward achieving capital upside along with high income."*

The geographical split of our income remains diverse with significant increases from Taiwan and Indonesia, and continued high income from South Korea. The corporate reform program in South Korea is driving a fundamental shift in the approach to shareholder returns and it remains a key income market for the years ahead. China has followed suit and is addressing underperformance of SOEs by requiring them to focus on shareholder returns. More recently, Singapore has launched its own version of a corporate reform program. These initiatives are very positive for income growth in our region.

Portfolio activity

At a portfolio level, it is the shift in some of the country weights that is most notable during the period, with a significant reduction in exposures to Australia and India, which were used to fund larger exposures in China. Despite this, our position in China remains broadly neutral versus Asian indices as we remain cautious on the overall macro picture. The reduction in Australian holdings mainly relates to a more negative view on the miners with the positions in Pilbara Minerals, Rio Tinto, BHP Group and Fortescue sold as capex grows above expectations, negatively impacting dividends. In India, we sold our information technology services holdings, Infosys and HCL Technologies, to fund more attractive growth in Tencent and Alibaba.

"At a portfolio level, it is the shift in some of the country weights that is most notable during the period, with a significant reduction in exposures to Australia and India, which were used to fund larger exposures in China."

We also sold Indian holdings NTPC and Bharat Petroleum following their strong performance which compressed the dividend yields amid increasing concerns about the macro-economic outlook for the country and a weakening earnings outlook. Our new additions in North Asia have been superior replacements including Quanta Computer, SK Hynix and SK Square in the technology sector and high yield property and financial names in Hong Kong and China, namely Kerry Properties and New China Life.

New China Life has a track record of strong growth in new business, increasing gross premium income, which is supported by various distribution channels and the insurer's strong brand value. It is committed to higher shareholder returns via dividends. Kerry Properties, a property developer based in Hong Kong, has been reducing its financial gearing ratio and continues to pay high dividends. Despite the weakness in the Chinese property sector, Kerry's pipeline development properties are located at prime locations in Hong Kong and tier-one markets in China, where the sales recovery has been more positive. The purchase of China Hongqiao was based on an attractive valuation and high yield as the company reported a significant improvement in its gross profit margin in its full-year results and announced a higher-than-expected dividend pay-out as aluminum prices strengthened. An extensive share buyback programme and high dividend yield continues to drive shareholder returns from the company.

Outlook

We began by referring to the importance of a number of exciting structural growth themes in Asia which had been masked somewhat by geopolitical headlines. However, the potential for these regional themes to support long term performance is undiminished. The potential is rapidly turning into earnings growth and the opportunities are broader than our initial expectations. Growth is being driven by several factors. These include Asia's position as a hub for technology supply chains, crucial to the development of AI given strength in hardware and semiconductor manufacturing. There is also an incredible opportunity for financial companies in markets such as Indonesia, the Philippines and India where hundreds of millions of bank accounts have been opened in recent years. Infrastructure including renewable energy continues to grow with record levels of spend in India, Indonesia and China. The emergence of strong domestic brands from China succeeding in foreign markets is another new trend and along with more widespread corporate reform in South Korea, China and Indonesia.

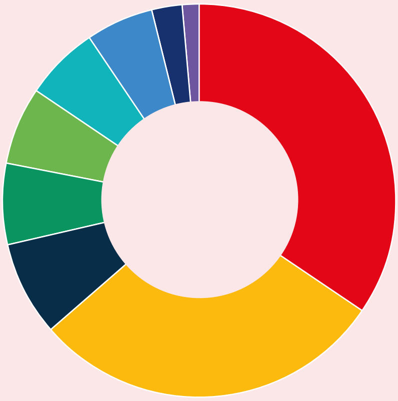
These trends alongside the faster than expected dividend growth in recent years are a compelling mix, unmatched by other markets. We are now benefitting from low relative valuations and some of the lowest dividend payout ratios globally, which leaves significant room for improvement in the years ahead. The future of China will be inextricably linked to the fortunes of the region and the rebound of that market has been supported by a calm, measured response from its leaders in the face of significant global shifts, leaving investors reassured by the number of policies left in its arsenal.

Sat Duhra
Fund Manager
10 November 2025

Portfolio snapshot

Sector breakdown

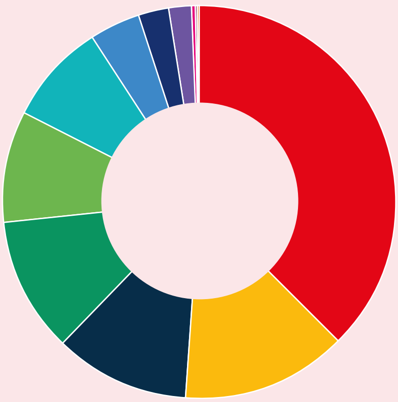
Sector distribution of income for the year ended 31 August 2025



	2025 %	2024 %
Financials	34.5	22.8
Consumer Discretionary	29.3	47.8
Technology	7.7	8.4
Industrials	6.6	0.5
Basic Materials	6.5	4.0
Telecommunications	6.1	4.9
Real Estate	5.6	4.4
Energy	2.5	4.2
Utilities	1.2	3.0

Regional breakdown

Geographical distribution of income for the year ended 31 August 2025



	2025 %	2024 %
China	37.5	50.3
Taiwan	13.8	4.4
South Korea	11.1	11.0
Indonesia	11.0	7.0
Hong Kong	9.2	10.4
Australia	8.5	5.7
Singapore	3.9	3.5
India	2.6	5.5
Thailand	1.9	0.5
Japan	0.3	0.1
Vietnam	0.1	0.6
Philippines	0.1	–
New Zealand	–	1.0

Portfolio holdings

As at 31 August 2025

Ranking 2025	Ranking 2024	Company	Country of incorporation	Sector	Value 2025 £'000	% of portfolio
1	2	Taiwan Semiconductor Manufacturing[1]	Taiwan	Technology	22,883	5.29
2	22	Brilliance China Automotive	China	Consumer Discretionary	20,457	4.73
3	–	Tencent	China	Technology	20,122	4.65
4	–	China Hongqiao	China	Basic Materials	16,451	3.80
5	7	Oversea-Chinese Banking	Singapore	Financials	15,767	3.64
6	13	United Overseas Bank	Singapore	Financials	15,406	3.56
7	34	Lenovo	China	Technology	11,879	2.74
8	–	Origin Energy	Australia	Utilities	11,388	2.63
9	8	Hon Hai Precision Industry	Taiwan	Technology	11,170	2.58
10	17	Macquarie Korea Infrastructure Fund	South Korea	Financials	11,085	2.56
		Top ten investments			**156,608**	**36.18**
11	31	First Pacific	Hong Kong	Consumer Discretionary	10,745	2.48
12	–	Suncorp	Australia	Financials	10,692	2.47
13	49	CTBC Financial	Taiwan	Financials	10,608	2.45
14	–	Kerry Properties	Hong Kong	Real Estate	9,915	2.29
15	3	MediaTek	Taiwan	Technology	9,786	2.26
16	–	New China Life	China	Financials	9,430	2.18
17	–	Evergreen Marine	Taiwan	Industrials	9,320	2.15
18	–	Bosideng International	China	Consumer Discretionary	9,313	2.15
19	11	PCCW	Hong Kong	Telecommunications	9,230	2.13
20	–	Alibaba	China	Consumer Discretionary	9,156	2.12
		Top twenty investments			**254,803**	**58.86**
21	40	China Resources Land	China	Real Estate	9,124	2.11
22	21	Astra International	Indonesia	Consumer Discretionary	8,558	1.98
23	–	SK Hynix	South Korea	Technology	8,507	1.96
24	6	HKT Trust & HKT	Hong Kong	Telecommunications	8,426	1.95
25	–	SK Square	South Korea	Technology	8,394	1.94
26	–	Novatek Microelectronics	Taiwan	Technology	8,006	1.85
27	5	HDFC Bank	India	Financials	7,933	1.83
28	15	DB Insurance	South Korea	Financials	7,126	1.65
29	–	GAIL Limited	India	Energy	6,505	1.50
30	27	Samsung Fire & Marine	South Korea	Financials	6,152	1.42
		Top thirty investments			**333,534**	**77.05**
31	32	Midea	China	Consumer Discretionary	5,875	1.36
32	36	Trip.com	China	Consumer Discretionary	5,845	1.35
33	19	Wesfarmers	Australia	Consumer Discretionary	5,819	1.34
34	–	Quanta Computer	Taiwan	Technology	5,675	1.31
35	4	Macquarie Group	Australia	Financials	5,574	1.29
36	42	Goodman Group	Australia	Real Estate	5,558	1.28
37	30	Swire Properties	Hong Kong	Real Estate	5,366	1.24
38	–	PT Telkom	Indonesia	Telecommunications	5,050	1.17
39	12	Hyundai Motor[2]	South Korea	Consumer Discretionary	5,037	1.16
40	–	SCB X	Thailand	Financials	4,982	1.15
		Top forty investments			**388,315**	**89.70**
41	26	Power Grid	India	Utilities	4,831	1.12
42	33	Kia Corp	South Korea	Consumer Discretionary	4,821	1.11
43	48	China CITIC Bank	China	Financials	4,724	1.09
44	–	Industrial Bank Of Korea	South Korea	Financials	4,656	1.08

1 Comprises Taiwan and American Depositary Share holdings, split £19,464,000 and £3,419,000 respectively
2 Preferred shares

Portfolio holdings continued

Ranking 2025	Ranking 2024	Company	Country of incorporation	Sector	Value 2025 £'000	% of portfolio
45	47	Industrial Bank	China	Financials	4,443	1.03
46	28	HSBC	Hong Kong	Financials	4,426	1.02
47	–	BDO Unibank	Philippines	Financials	4,324	1.00
48	23	Bank Negara Indonesia	Indonesia	Financials	4,177	0.96
49	46	China Construction Bank	China	Financials	4,150	0.96
50	–	FinVolution Group[3]	China	Financials	3,619	0.84
		Top fifty investments			**432,486**	**99.91**
51	–	Resona	Japan	Financials	3,603	0.83
52	18	Bank Mandiri	Indonesia	Financials	3,486	0.80
53	53	China Forestry[4]	China	Basic Materials	–	–
54	–	SK Square Call Option 168 (Expiry 12/09/25)	South Korea	Technology	(27)	(0.01)
55	–	Alibaba Call Option 134 (Expiry 22/10/25)	China	Technology	(53)	(0.01)
56	–	Alibaba Call Option 142 (Expiry 14/11/25)	China	Technology	(59)	(0.01)
57	–	New China Life Call Option 58 (Expiry 30/10/25)	China	Financials	(69)	(0.02)
58	–	MediaTek Put Option 129 (Expiry 14/10/25)	Taiwan	Technology	(70)	(0.02)
59	–	SK Hynix Call Option 314 (Expiry 14/11/25)	South Korea	Technology	(95)	(0.02)
60	–	SK Hynix Call Option 271 (Expiry 15/09/25)	South Korea	Technology	(97)	(0.02)
		Top sixty investments			**439,105**	**101.43**
61	–	China Resources Land Call Option 31.2 (Expiry 17/09/25)	China	Real Estate	(97)	(0.02)
62	–	Samsung Fire & Marine Call Option 478 (Expiry 07/11/25)	South Korea	Financials	(110)	(0.03)
63	–	ANTA Sports Put Option 91.8 (Expiry 29/09/25)	China	Consumer Discretionary	(120)	(0.03)
64	–	FinVolution Group Put Option 8.5 (Expiry 02/10/25)	China	Financials	(135)	(0.03)
65	–	Lenovo Call Option 12.7 (Expiry 07/11/25)	China	Technology	(153)	(0.04)
66	–	Resona Call Option 143 (Expiry 10/09/25)	Japan	Financials	(184)	(0.04)
67	–	Brilliance China Automotive Call Option 3.3 (Expiry 18/09/25)	China	Consumer Discretionary	(219)	(0.05)
68	–	New China Life Call Option 48.2 (Expiry 14/10/25)	China	Financials	(318)	(0.07)
69	–	SK Square Call Option 153 (Expiry 07/11/25)	South Korea	Technology	(363)	(0.08)
70	–	DB Insurance Call Option 118 (Expiry 10/09/25)	South Korea	Financials	(442)	(0.10)
		Top seventy investments			**436,964**	**100.94**
71	–	China Hongqiao Call Option 23.6 (Expiry 22/10/25)	China	Basic Materials	(699)	(0.16)
72	–	China Hongqiao Call Option 16.6 (Expiry 10/09/25)	China	Basic Materials	(3,370)	(0.78)
		Total investments			**432,895**	**100.00**

There were no convertible or fixed interest securities as at 31 August 2025 (2024: None).

3 American Depositary Receipts
4 Unquoted investment held at £nil (see note 10 in the financial statements)

Case studies

First Pacific

Multi-sector income growth

Country of listing

Hong Kong

Proportion of portfolio

2.48%

(as at 31 August 2025)

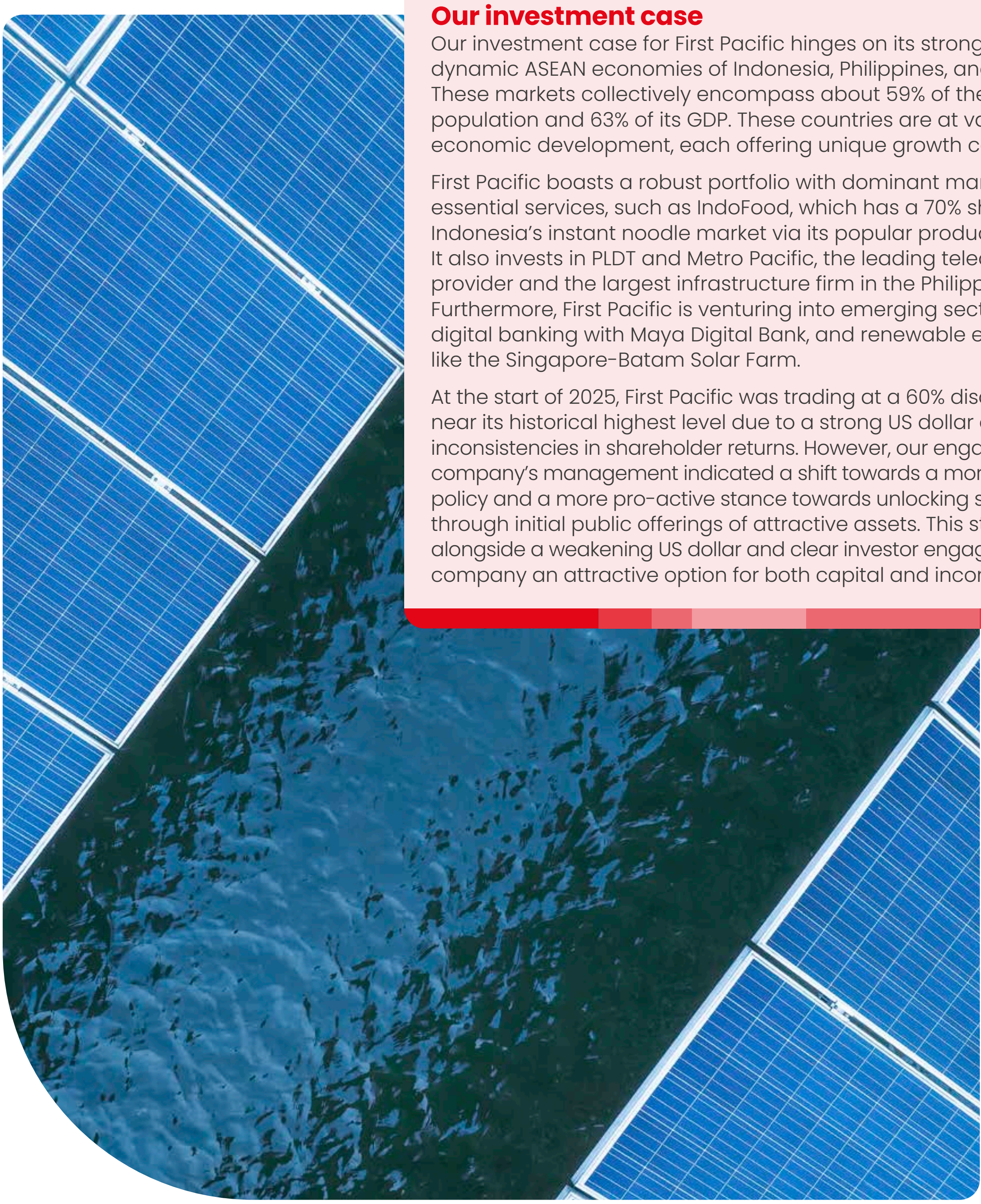
First Pacific is a prominent investment holding company. It occupies a strategic presence in Southeast Asia across its holdings in multiple listed subsidiaries in various sectors such as consumer, telecommunication, infrastructure and power.

Our investment case

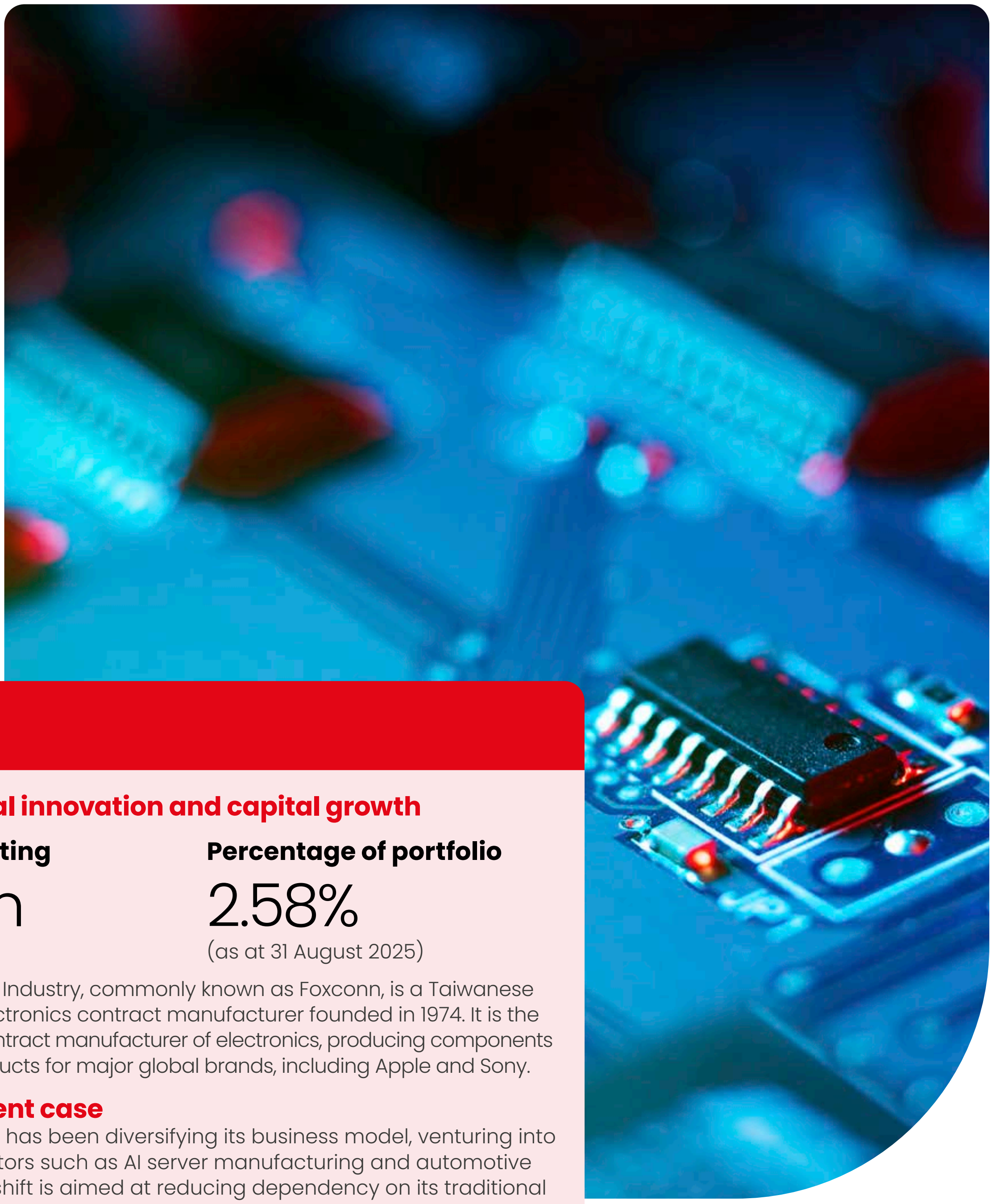
Our investment case for First Pacific hinges on its strong foothold in the dynamic ASEAN economies of Indonesia, Philippines, and Singapore. These markets collectively encompass about 59% of the region's population and 63% of its GDP. These countries are at various stages of economic development, each offering unique growth catalysts.

First Pacific boasts a robust portfolio with dominant market shares in essential services, such as IndoFood, which has a 70% share in Indonesia's instant noodle market via its popular product, Indomie. It also invests in PLDT and Metro Pacific, the leading telecommunications provider and the largest infrastructure firm in the Philippines respectively. Furthermore, First Pacific is venturing into emerging sectors such as digital banking with Maya Digital Bank, and renewable energy projects like the Singapore-Batam Solar Farm.

At the start of 2025, First Pacific was trading at a 60% discount to its NAV, near its historical highest level due to a strong US dollar and previous inconsistencies in shareholder returns. However, our engagements with the company's management indicated a shift towards a more robust dividend policy and a more pro-active stance towards unlocking shareholder value through initial public offerings of attractive assets. This strategic move, alongside a weakening US dollar and clear investor engagement, made the company an attractive option for both capital and income growth.



Case studies continued



Hon Hai

Technological innovation and capital growth

Country of listing

Taiwan

Percentage of portfolio

2.58%

(as at 31 August 2025)

Hon Hai Precision Industry, commonly known as Foxconn, is a Taiwanese multinational electronics contract manufacturer founded in 1974. It is the world's largest contract manufacturer of electronics, producing components and finished products for major global brands, including Apple and Sony.

Our investment case

Recently, Hon Hai has been diversifying its business model, venturing into high-margin sectors such as AI server manufacturing and automotive electronics. This shift is aimed at reducing dependency on its traditional assembly business and capitalising on emerging technological trends.

Despite these promising developments, Hon Hai's stock appeared undervalued. The valuation did not seem to reflect the company's robust earnings outlook or its strategic shift towards more lucrative business areas. The market's scepticism might have been linked to broader concerns over AI spending and demand for Apple products, yet it was our view that these factors did not fully account for Hon Hai's evolving business model and diversification efforts.

Given the conservative market valuation and the strategic realignment of its business model, we thought Hon Hai presented an attractive investment opportunity. The company's shift towards high-margin, technologically advanced products, combined with a solid execution track record, positioned it well for future growth along with attractive growth in dividends.

Business model

Investment objective

The Company seeks to provide a growing total annual dividend per share, as well as capital appreciation, from a diversified portfolio of investments from the Asia Pacific region.

Investment policy

The Company invests in a diversified portfolio of shares (equity securities) and other securities of companies that are either listed in, registered in, or whose principal business is in, the Asia Pacific region. The Asia Pacific region includes Japan, the Indian subcontinent and Australasia.

Stocks listed in the Asia Pacific region will make up not less than 80% of NAV with the remaining exposure being in stocks listed or dual listed elsewhere whose principal business is in the Asia Pacific region.

The Company may use financial instruments known as derivatives for the purpose of efficient portfolio management or to generate additional income while maintaining a level of risk consistent with the risk profile of the Company.

The Company invests at least 80% of its gross assets in listed shares, equity related securities and derivative instruments. In addition, the Company may also invest in unlisted securities which are expected to list, preference shares, fixed income securities, convertible securities, warrants and collective investment schemes.

No single investment will exceed 10% of net assets at the time of investment. The Company does not invest more than 15% of its gross assets in other UK listed investment companies.

The portfolio is constructed without reference to the composition of any stock market index or benchmark.

Gearing

The Company can borrow to make additional investments with the aim of achieving a return that is greater than the cost of the borrowing. The Company may borrow up to 30% of gross assets without shareholder approval to facilitate working capital management and to seek a better total return for shareholders.

Strategy

Our strategy is to offer investors a cost effective investment proposition which provides access to a professionally and actively managed portfolio of investments.

The Company is an investment trust which is a pooled investment vehicle, allowing exposure to a diversified range of assets through a single investment, thus spreading the investment risk. All services are delivered by reputable third-party service providers whose performance is overseen by a Board of Directors (the 'Board'). The Board is comprised entirely of non-executive directors accountable to shareholders, who can remove a director from office where they deem it to be in the interests of the Company. The non-executive directors are independent of the investment manager.

The significant advantage of our business model is its closed-end nature, which enables the Company to smooth dividend payments from its substantial reserves and the ability to use leverage to increase returns for shareholders.

Values and culture

We aim to be viewed by our shareholders as a sound investment delivering returns in line with the investment objective. Alongside this, we believe our shareholders would expect us to act professionally and with integrity, and to treat their investment with the same care we would our own. Accordingly, we bring these values to our deliberations as a Board and seek to build long-term relationships with like-minded and reputable service providers.

In particular, we apply this approach to our investment manager who we regard as our primary partner in fulfilling our purpose.

The Company's structure

The Company is Jersey incorporated and moved its tax residence to the United Kingdom with effect from 1 September 2018. The Company continues to meet its obligations under the Companies (Jersey) Law 1991 and remains regulated by the Jersey Financial Services Commission under the Collective Investment Funds (Jersey) Law 1998. From 1 September 2018, the Company became subject to the provisions of the Corporation Tax Act 2010, as set out in English law and as it pertains to investment trusts. The Company must therefore distribute at least 85% of its annual investment income to shareholders to preserve its investment trust status. The directors are of the opinion that the Company has conducted its affairs in compliance with s.1158 since approval was granted and intends to continue to do so.

Business model continued

The Company is listed on the Main Market of the London Stock Exchange and is subject to the UK Listing Rules, Prospectus Rules and Disclosure Guidance and Transparency Rules published by the Financial Conduct Authority. The Company is listed on the Main Board of the New Zealand Stock Exchange ('NZX') and is subject to the NZX Listing Rules. The Company is a member of the Association of Investment Companies ('AIC').

The Company, and the Board, is governed by its articles of association, amendments to which must be approved by shareholders by way of a special resolution.

Promoting the Company's success

Acting collectively as the Board, we aim to promote the long-term success of the Company for the benefit of the shareholders. We regard a well governed business as essential for the successful delivery of our investment proposition and apply this approach while being cognisant of the interests of other stakeholders.

We engage reputable third-party service providers with established track records to deliver the Company's day-to-day operations. The most important of these is the investment manager, and in particular the Fund Manager, who is responsible for the management of the Company's assets in line with the investment objective. The Board maintains a close working relationship with the investment manager and holds it to account for the smooth running of the Company's day-to-day business. The Board retains responsibility for decisions over corporate strategy, governance and the investment parameters for the portfolio.

To ensure the appointed service providers continue to deliver the expected level of service, we receive regular reports from them, evaluate the control environments in place at each key service provider and formally assess their appointment annually. By doing so, we seek to ensure that the key service providers continue to be appropriately remunerated to deliver the level of service we expect from them.

Engaging with stakeholders

We, as directors, have the success of the Company foremost in our minds when making decisions. Decisions are taken with the aim of achieving our purpose and are based on information provided by a range of sources. The impact on stakeholders is assessed as part of our discussions, although the stakeholders affected may vary depending on the decision.

The table below sets out the primary ways in which we, as your Board, engage with the Company's key stakeholders.

Stakeholder	Engagement
Shareholders and potential investors	Investors rely on the Company to deliver a progressive dividend with the potential for capital growth. **Purpose:** • Keep investors updated on the Company's performance. • Promote the Company to new shareholders. **How we engage:** • Daily NAVs and monthly factsheets are published to keep shareholders up to date with the value of the portfolio. • Meetings with the Fund Manager, or Board members where shareholders prefer, are offered to shareholders and potential shareholders to provide insight into the portfolio. • Information on the Company and video updates from the Fund Manager are made available on the Company's website and via social medial channels with a view to keeping shareholders informed on the positioning of the portfolio. • The half-year report and annual report are published to keep shareholders informed of the Company's financial performance, its governance framework and any current matters of interest. • The Fund Manager provides a presentation to shareholders and analysts following publication of the annual financial results with a view to providing insight on the Company's performance. • The investment manager and corporate broker run a programme of engagement with wealth managers and other professional investors throughout the year to promote the Company. • The Board makes additional spend available to promote the Company's investment proposition to retail investors in the UK and holds the annual general meeting in London enabling shareholders to attend in person and speak with directors and the Fund Manager. **Outcome:** • Shareholders are informed and there is regular demand for the Company's shares.

<table>
<tr><th>Stakeholder</th><th>Engagement</th></tr>
<tr><td>Investment manager</td><td>Successful management of the Company’s portfolio is essential for meeting the investment objective and policy, thereby fulfilling investors expectations.
Purpose:
• Maintain a close working relationship with the investment manager as this is key to achieving the Company’s investment objective and promoting the Company to shareholders.
How we engage:
• The Fund Manager is invited to each Board meeting to provide an update on the performance of the portfolio and to keep the directors in touch with his views on the markets and positioning of the portfolio.
• The investment manager provides data on the key performance indicators at each meeting enabling the directors to assess performance.
• The investment manager demonstrates compliance with the parameters of the investment mandate at each meeting and provides access to senior managers in the Operational Risk and Internal Audit teams enabling the directors to assess the effectiveness of internal controls in operation.
• Senior members of the Investment trust sales and marketing functions provide regular presentations to the Board on how the Company is promoted to professional and retail investors.
Outcome:
• The investment objectives of the Company are met.
• The Board is confident that the Company’s assets are managed in line with the investment objective and within approved parameters.
• The Board has a good understanding of how the Company is perceived in the market and whether the investment objective remains relevant in the prevailing market conditions.
• The Fund Manager fully understands the Company’s mandate and risk appetite.</td></tr>
<tr><td>Service providers
• Corporate broker
• Custodian
• Depositary
• Fund administrator
• Registrar</td><td>The Company’s operations are carried out by experienced and capable third-party service providers.
Purpose:
• The Company’s day-to-day operations run smoothly.
• The directors are informed of any issues which may arise and can ensure that suitable action is taken to address them.
How we engage:
• The Board receives regular reporting and presentations from its key third-party service providers throughout the year.
• Designated staff at the investment manager engage regularly with all third-party service providers through meetings and written reporting, and keep the Board updated with any areas of concern.
• The Management Engagement Committee annually reviews the level of services delivered by each service provider and the terms on which they are engaged, including all fee arrangements, to ensure that these remain in line with market practice.
Outcome:
• Investors have a positive experience when dealing with the Company’s third-party service providers, such as the investment manager or registrar.
• Third-party service providers are paid fees enabling them to deliver the expected level of service and are incentivised to maintain a long-term relationship with the Company.
• The Board is confident in its selection of third-party service providers and maintains good oversight of the Company’s operations.</td></tr>
</table>

Business model continued

Stakeholder	Engagement
Investee companies	The Fund Manager researches potential investee companies and engages with management teams with a view to ensuring the soundness of their respective businesses propositions. **Purpose:** • The Board has an understanding of the Fund Manager's approach to selecting stocks for the portfolio. • The Fund Manager and members of his team engage with potential investee companies and maintain ongoing dialogue with companies already held in the portfolio. **How we engage:** • The shares held in the Company's portfolio are voted at general meetings and appropriate engagement undertaken with investee companies where management proposals are not supported. **Outcome:** • Investor value is preserved. • The Company is a responsible investor.
Communities and the environment	The Board is conscious of the need to take appropriate account of broader environmental, social and governance ('ESG') concerns and to act as a good corporate citizen. **Purpose:** • The Fund Manager considers non-financial measures alongside financial measures when investing. • The Board has an understanding of the level of ESG attainment in the Asia Pacific region compared to developed markets. **How we engage:** • The Board discusses the Fund Manager's investment processes with him and understands where achieving the investment objective may impact ESG decisions. • The Fund Manager, and directors where requested, meet with shareholders to understand their investment objectives and if the Company can help achieve these. **Outcome:** • The Company is a good corporate citizen. • The Company provides an accessible and actively managed, diversified investment option for retail and institutional shareholders.

Management fee arrangements

The Company has appointed Janus Henderson Fund Management UK Limited ('JHFM') to act as its Alternative Investment Fund Manager. JHFM delegates investment management services to Janus Henderson Investors UK Limited in accordance with an agreement effective from 22 July 2014 and which was most recently updated in 2024. The agreement can be terminated on six months' notice. Both entities are authorised and regulated by the Financial Conduct Authority ('FCA') and are part of the Janus Henderson Investors group of companies. References to 'Janus Henderson Investors' or 'JHI' refer to the services provided to the Company by the investment manager's group.

The Fund Manager is Sat Duhra who is based in London and has worked on the portfolio since 2011.

For the year under review, a flat fee of 0.75% of net assets was applicable across all of the Company's assets.

The investment manager, and its subsidiaries, provide accounting, company secretarial, sales, marketing and general administrative services to the Company.

How we invest

Our focus is on well managed companies with attractive valuations which have the ability to sustain and/or grow dividends for the future. We invest in a combination of companies with high sustainable yields and dividend payout ratios alongside those with higher earnings growth and greater potential for dividend growth as earnings increase and dividend payout ratio increase over time.

We thoroughly research prospects and markets using sophisticated and often proprietary techniques before selection. Options are used on an opportunistic basis to generate additional income from transactions. Put and call options are written on individual stocks with strike prices aligned to our target prices. We do not employ either structural or long-term gearing, preferring to use more flexible short-term borrowings when opportunities present themselves.

Alongside the quantitative and qualitative assessment of a company, which includes research into the fundamental cash generative potential of a business, we consider ESG factors. No stock is added to the Company's portfolio until we have established that it has ESG policies in place. We believe engagement with corporates is the key to improving ESG standards and therefore do not apply an exclusion policy. ESG policy is examined at the individual company level.

Investment philosophy

Bottom-up, cash-flow focused, consistent disciplined approach

Focus on cash, not accounting based measures	Total return focus	Identify market mispricing	Qualitative process as important as quantitative	Absolute valuation
Cash flow generation is key to understanding the true economics of a business, not earnings per share	High yield and dividend growth combination, high conviction, portfolio of 40-60 holdings, bottom-up with no country/sector bias	Search for stocks where current market value understates future cash-flows – generally sectors that have been ignored	Management meetings and bespoke country visits, discussion of key risks and in-house investment team interaction	Derive absolute valuation to understand fundamental value, less focus on relative valuations. Aim for consistency not complexity

Dividend approach

One of the key investment objectives of the Company is to provide investors with a growing total annual dividend per share. This underpins the Board's approach to the dividend policy. In most years, we seek to pay dividends from current revenue and add to the revenue reserve where possible. The purpose of this reserve is to smooth the dividend in extreme market conditions. The Company is also able to make use of the distributable reserve for this purpose.

When deciding on whether to pay each quarterly dividend, we have regard to a variety of factors, including the current and the forecasted levels of income, the sustainability of that income, cash resources and any macro-economic and currency risks in relation to the countries in which the Company invests. The Fund Manager provides portfolio updates together with a schedule of projected revenue generated by the underlying investments and options strategy to assist the Board's decision.

Business model continued

Stewardship

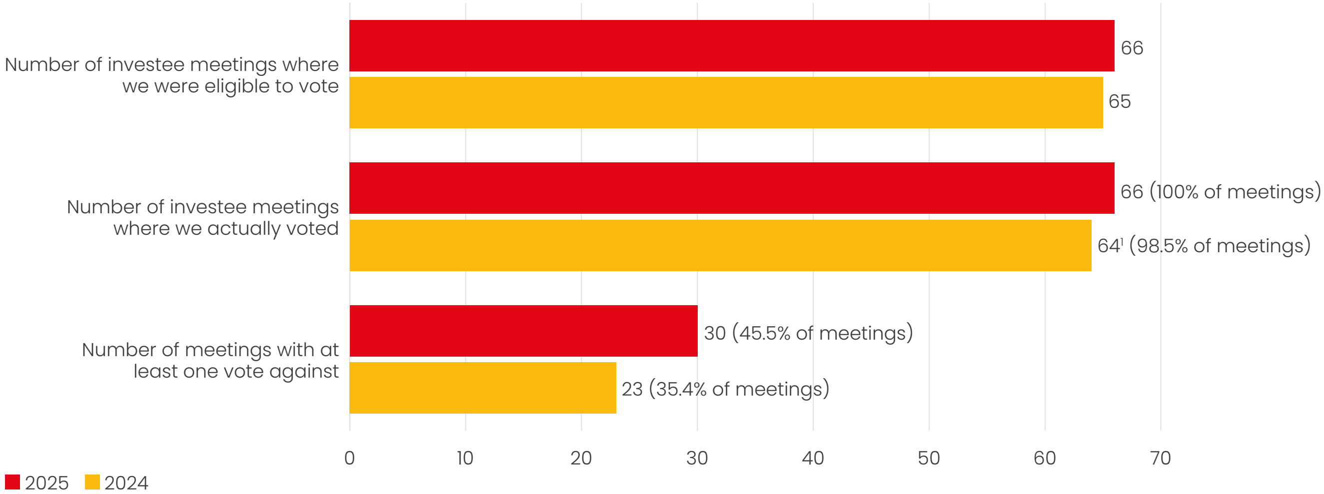
We believe that voting at general meetings is an important aspect of corporate stewardship and a means of signalling shareholder views on board policy, practices and performance. We have tasked our investment manager with considering how best to vote the rights attached to the shares in the Company's portfolio. This enables us to utilise the expertise of their Responsible Investment and Governance team in assessing engagement by investee companies and the appropriateness of any resolutions which shareholders may be asked to approve. The Board retains oversight of the process by receiving reports at each meeting indicating how the Company's shares have been voted and where support for management recommendations has not been warranted. We review the investment manager's Responsible Investment Policy and Proxy Voting Policy and Procedures at least annually.

Voting decisions are guided by the best interests of the investee companies' shareholders and made in consultation with the Fund Manager, who has an in-depth understanding of the respective company's operations.

The Fund Manager believes in engaging with management and boards to resolve issues of concern rather than to vote against shareholder meeting proposals. This approach is more likely to be effective in influencing company behaviour.

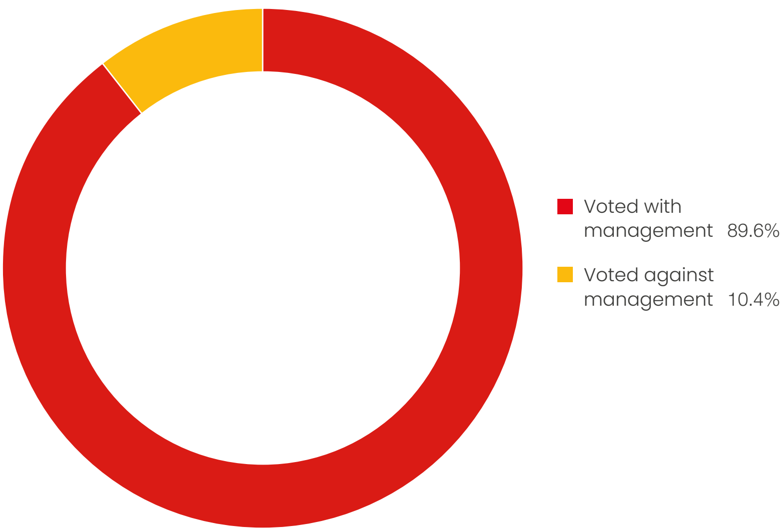
In the period under review, we voted at all general meetings held by investee companies. The only time shares would not be voted is where doing so would have resulted in share-blocking. This is where voting would have restricted the ability to trade the shares in advance of the meeting.

We were eligible to vote at 66 (2024: 65) investee company meetings during the period



1 Shares are not voted where doing so restricts the Fund Manager's ability to sell the stock ahead of the meeting

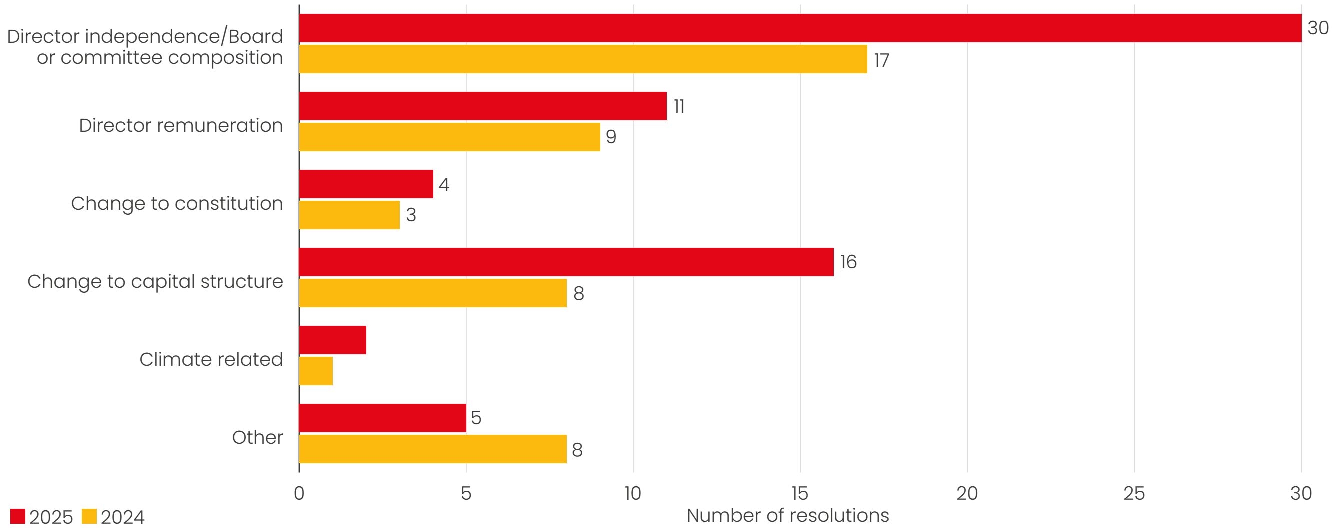
How we voted our shares



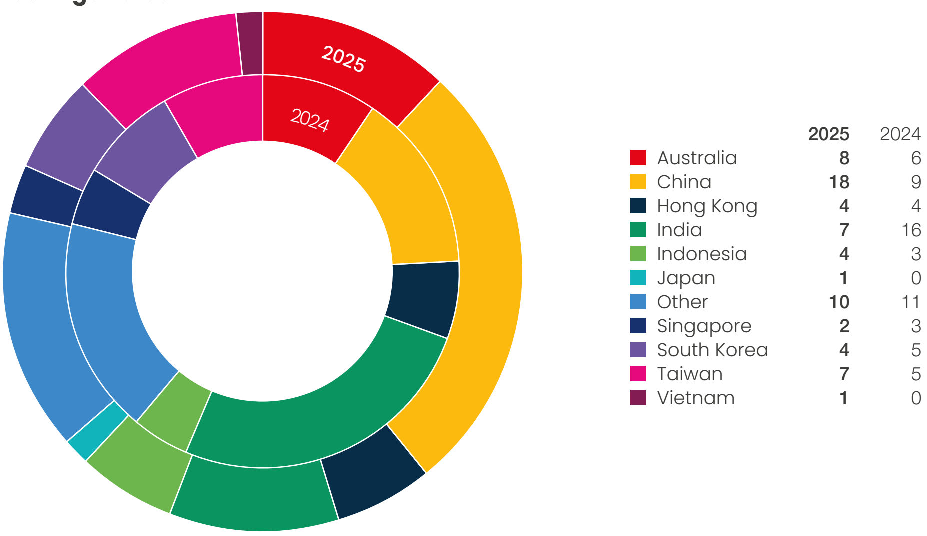
Figures in the charts are based on the period 1 September 2024 to 31 August 2025

Source: Janus Henderson Investors

Areas where we voted against management recommendations



Market breakdown by number of meetings voted



Figures in the charts are based on the period 1 September 2024 to 31 August 2025

Source: Janus Henderson Investors

The environment

As an investment trust, the Company's own direct environmental impact is minimal. The Company has no greenhouse gas emissions to report from its operations, nor does it have responsibility for any other emissions producing sources under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013. For the same reasons, the Company considers itself to be a low energy user under the Streamlined Energy & Carbon Reporting ('SECR') regulations and therefore is not required to disclose energy and carbon information.

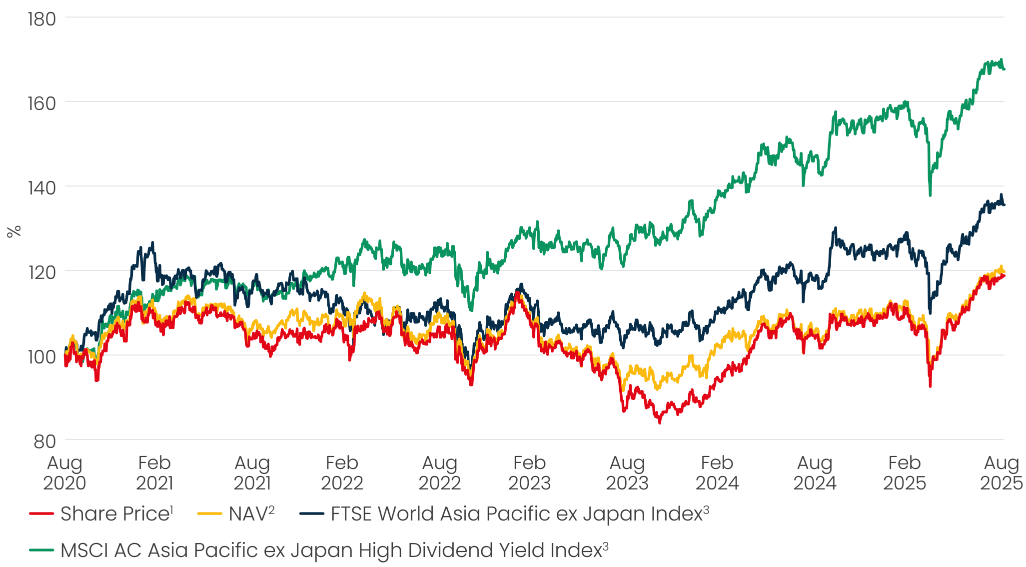
TCFD report

The investment manager produces product-level Task Force on Climate-Related Financial Disclosures ('TCFD') reports. These reports include an overview of the climate-related governance, strategy, risk management, and metrics and targets of Janus Henderson Investors and its portfolios. Product-level metrics include absolute carbon emissions, carbon footprint, weighted average carbon intensity, implied temperature rise and climate scenario analysis (Climate Value at Risk). The investment manager's TCFD Report specific to the Company is available on the Company's website at **www.hendersonfareastincome.com**.

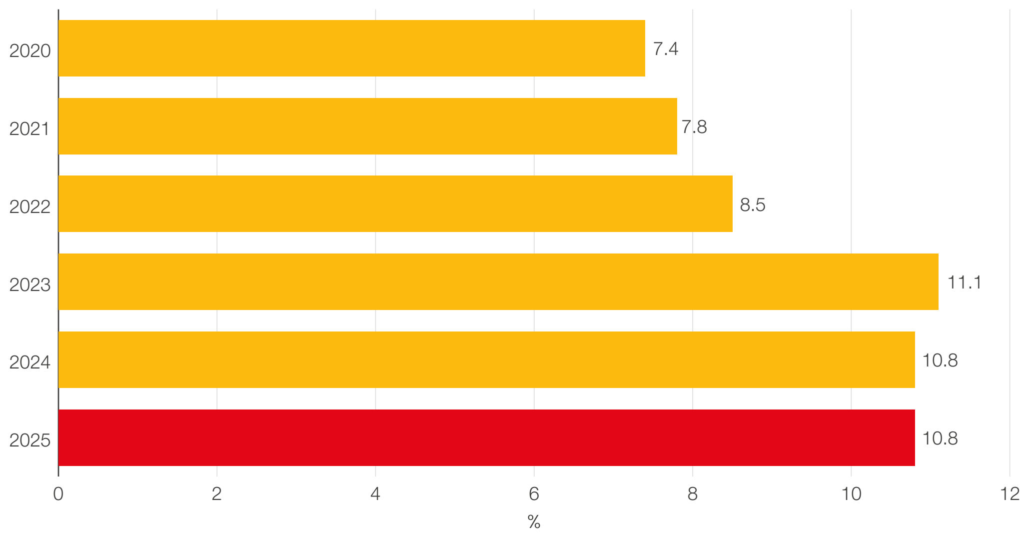
Measuring the Company's performance

The directors use key performance indicators ('KPI') to measure the success of the Company in meeting its objective and to evaluate the performance of the Fund Manager. The focus of the Board is on the longer term, but when reviewing the performance of the Fund Manager each year, the Board uses the KPIs set out below. These KPIs are explained in the glossary and alternative performance measures on pages 80-82.

KPI	Action
Performance against comparator indices	Although the Company has no benchmark, the Board considers performance against the FTSE World Asia Pacific ex Japan and MSCI AC Asia Pacific ex Japan High Dividend Yield indices as a useful backdrop to considering performance. From 1 September 2025, the Board has replaced these two indices with the MSCI AC Asia Pacific ex Japan Index which more closely reflects the balance of high yield and high growth stocks in the portfolio. Performance against this index will be included in the half-year reporting.



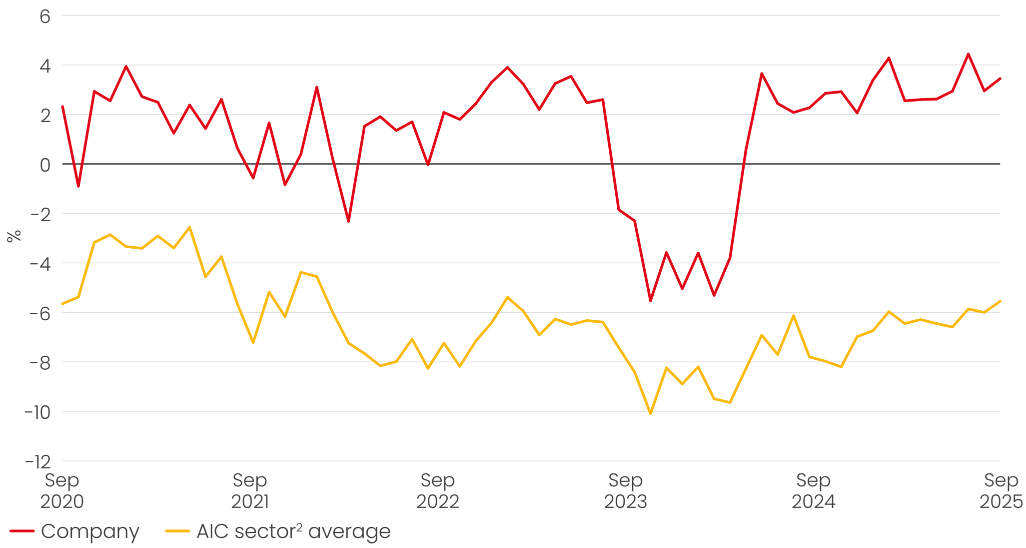
Dividend yield[4]	The Board is aware of the importance of the dividend to shareholders and keeps the dividend yield under review.



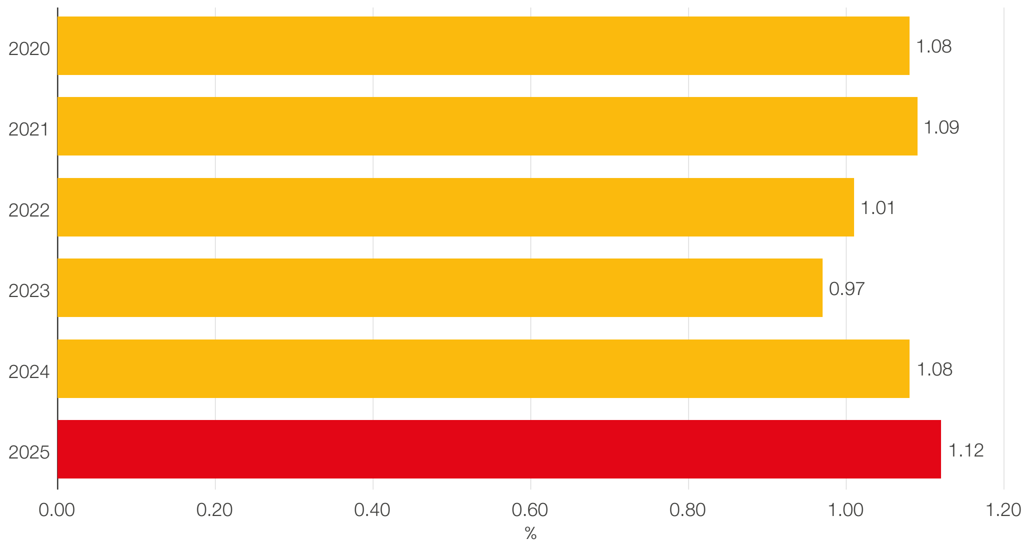
Source: Janus Henderson Investors

1 Share price total return using closing price
2 NAV total return performance with dividends reinvested
3 The Company does not have a formal benchmark and uses these indices on a sterling adjusted basis for comparison purposes only
4 Dividend yield is an alternative performance measure and is explained in more detail on page 82

KPI	Action
Premium or discount [1,4] at which the shares trade	The Board monitors the level of the Company's share premium or discount compared to the AIC sector.[2]



Ongoing charge[3,4]	The Board monitors the ongoing charge to ensure the operating costs of the Company are appropriately managed.



Source: Janus Henderson Investors

1 The amount by which the market price per share is higher (premium) or lower (discount) than the NAV per share

2 AIC Asia Pacific Equity Income sector

3 Calculated using the AIC methodology

4 The premium/discount and ongoing charge are alternative performance measures. More information can be found on pages 81 and 82

Board decision making

We are mindful of acting in the best interests of shareholders as a whole and have regard to other stakeholders when relevant to a decision. The Board takes into consideration the Company's purpose, investment objective and investment policy as well as the interests of the Company's stakeholders when discussing matters and making decisions.

In addition to regular, detailed discussions about the Company's investment portfolio, strategy and market performance, the following are examples of discussions held and decisions made by the Board during the financial year ended 31 August 2025:

Dividend increase

We reviewed the Company's financial position and the Fund Manager's estimates, which included dividends received and due to be received from investment companies as well as anticipated income from other sources such as the option strategy. Our analysis and discussion on these figures enabled us to determine that the Company was well positioned to continue its progressive dividend policy. We therefore increased the dividend from 6.20p per ordinary share to 6.25p per ordinary share in respect of the 3rd interim dividend which was declared on 6 June 2025. A modest amount of £1.5m will be drawn from our reserves to fund the fourth interim dividend. This brings our track record of paying a progressive dividend to 18 years.

Share issuance

The Board remains committed to the refinements to the investment process which were introduced following our strategic review in 2023. This is the means by which we maintain the progressive dividend and ensure that capital return is not eroded as a result. Decisions in this respect include many facets, one of which is the number of new shares we issue and the premium at which we deem it appropriate to issue new shares.

In the year to 31 August 2025, we issued 17.6m new shares and adjusted the premium over the course of the year to ensure that the costs of the new issuance were not borne by existing shareholders and that the Fund Manager had sufficient time to invest the proceeds before paying a dividend on the shares.

Reaching retail shareholders

The work led by our investment manager's Sales team and the corporate brokers ensures that the Company's professional investors have access to the Fund Manager and are kept up to date with developments. Reaching our retail shareholders is equally important, but far more difficult to achieve. Accordingly, we considered the Company's marketing strategy and budget. This included a review of options which could be used to enhance communications to retail shareholders and where existing channels, which had not delivered the reach we expected, could be replaced. At the conclusion of the Board's discussion, we agreed adjustments to the strategy from the prior year and approved a budget in this respect.

Multi-currency revolving credit facility

The Company's multi-currency revolving credit facility expired shortly before the year end. We reviewed the Company's historic utilisation on the facility and the cost of the facility in relation to its benefits. Following that analysis, we considered whether the Company should continue to maintain the facility and if the size of the facility should be adjusted. The Board concluded that the facility should be maintained and that the current amount of £50m remained appropriate. We reviewed pricing provided by several banks and determined that the Company should open a new facility with Royal Bank of Scotland International Limited, London Branch.

Managing risks

Principal and emerging risks

Investing, by its nature, carries inherent risk. The Board, with the assistance of the investment manager, carries out a robust assessment of the principal and emerging risks and uncertainties facing the Company which could threaten the business model and future performance, solvency and liquidity of the portfolio. A matrix of these risks, along with the steps taken to mitigate them, is maintained and kept under regular review. The mitigating measures include a schedule of investment limits and restrictions within which the Fund Manager must operate. We do not believe these principal risks to have changed over the course of the year.

The principal risks which have been identified and the steps we have taken to mitigate these are set out below:

Risk	Mitigating action
Investment and strategy	
An inappropriate investment strategy, for example, in terms of asset allocation, level of gearing or use of the options strategy, may result in underperformance against the companies in the peer group, and in the Company's shares trading on a discount. Investments in Asian markets may be impacted by political, market and financial events resulting in changes to the market value of the Company's portfolio.	We manage these risks by ensuring a diversification of investments and a regular review of the extent of borrowings and options writing. The investment manager operates in accordance with investment limits and restrictions determined by the Board, which include limits on the extent to which borrowings may be employed and the level of options which may be written. We review compliance with limits and monitor performance at each Board meeting. The Fund Manager maintains a diverse portfolio (sector and country) with buy/sell disciplines and employs suitable quantitative and qualitative metrics, which incorporate environmental, social and governance ('ESG') considerations, for assessing stocks for inclusion or evaluating those already held in the portfolio. The Board reviews the Key Performance Indicators ('KPI's), portfolio composition and levels of gearing at each meeting. The Board furthermore maintains an understanding of the Fund Manager's investment process and considers the potential for climate change to impact the value of the portfolio, alongside other factors which may have the same effect.
Accounting, legal and regulatory	
The Company is regulated by the Jersey Financial Services Commission, under the Collective Investment Funds (Jersey) Law 1998, and is required to comply with the Companies (Jersey) Law 1991, the UK Listing Rules, Transparency Guidance and Disclosure Rules and Prospectus Regulation Rules issued by the FCA and the Listing Rules of the New Zealand Stock Exchange. To retain investment trust status, the Company must comply with the provisions of s.1158 of the Corporation Tax Act 2010. A breach of company law could result in the Company being subject to criminal proceedings or financial and reputational damage. A breach of the listing rules could result in the suspension of the Company's shares. A breach of s.1158 could result in capital gains realised within the portfolio being subject to corporation tax.	We engage reputable third-party service providers and expect the investment manager to provide investment management, company secretarial, administration and accounting services using qualified professionals. We receive quarterly internal control reports from the investment manager which demonstrate compliance with legal and regulatory requirements and assess the effectiveness of the internal control environment in operation at the investment manager and our key third-party services providers at least annually.

Managing risks continued

Risk	Mitigating action
Operational	
Disruption to, or the failure of, the investment manager's or the administrator's accounting, dealing, or payment systems or the custodian's records could prevent the accurate reporting or monitoring of the Company's financial position. The Company may be exposed to cyber risk through vulnerabilities at one or more of its service providers.	We engage reputable third-party service providers and formally evaluate their performance, and terms of appointment, at least annually. The Audit Committee assesses the effectiveness of internal controls in place at the Company's key third-party service providers through review of their reports on the effectiveness of internal controls, quarterly internal control reports from the investment manager and monthly reporting on compliance with the investment limits established by the Board.
Financial	
The financial risks faced by the Company include market risk (comprising market price risk, currency risk and interest rate risk), liquidity risk and credit risk.	We determine the investment parameters and monitor compliance with these at each meeting. We review the portfolio liquidity at each meeting and periodically consider the appropriateness of hedging the portfolio against currency risk. The Company is denominated in sterling, but receives dividends in a wide range of currencies from the Asia Pacific region. The income received is therefore subject to the impact of movements in exchange rates. The portfolio remains unhedged. The Board reviews the portfolio valuation at each meeting. Investment transactions are carried out with a large number of approved counterparties whose credit standard is periodically reviewed. Limits are set on the amount that may be due from any one counterparty and cash is only held with the custodian or reputable banks. We review the broad structure of the Company's capital including the need to buy back or allot ordinary shares and the extent to which revenue in excess of that which is required to be distributed, should be retained. Further detail on how we mitigate these risks are set out on pages 70 to 76.

Emerging risks and uncertainties

Alongside the principal risks, the Board considers emerging risks and uncertainties, which are defined as potential trends, sudden events or changing risks which are characterised by a high degree of uncertainty in terms of the probability of them happening and the possible effects on the Company. Should an emerging risk become sufficiently clear, it may be classified as a principal risk. During the year under review, the Board did not identify any emerging risks which are not already encompassed within the existing principal risks.

The Board considers that changing attitudes to investments, particularly shareholders moving away from regional investment to global and multi-asset strategies a potential risk, alongside changes to the UK tax regime applicable to investment trusts which could make these vehicles less tax efficient. Increased shareholder activism or more aggressive arbitrageurs taking a significant stake in the Company's shares could present a threat, as could, the un-checked adoption of artificial intelligence technology by the Company's third-party service providers.

Viability Statement

In keeping with provisions of the Code of Corporate Governance issued by the Association of Investment Companies in 2019 (the 'AIC Code'), we have assessed the prospects of the Company over a period longer than the 12 months required by the going concern provision.

We consider the Company's viability over a five-year period as we believe this is a reasonable timeframe reflecting the longer-term investment horizon for the portfolio, but which acknowledges the inherent shorter term uncertainties in equity markets. As part of the assessment, we have considered the Company's financial position, as well as its ability to liquidate the portfolio and meet expenses as they fall due. The following aspects formed part of our assessment:

- the Company's purpose and investment approach which means we remain a medium to long term investor;
- consideration of the principal risks and uncertainties facing the Company and determined that no significant issues had been identified;
- the nature of the portfolio which remained diverse comprising a wide range of stocks which are traded on major international exchanges meaning that, in normal market conditions, over 90% of the portfolio can be liquidated in 2 to 7 days;
- the closed-end nature of the Company which does not need to account for redemptions;
- the level of the Company's revenue reserves and size of the revolving credit facility; and
- the expenses incurred by the Company, which are predictable and modest in comparison with the assets and the fact that there are no capital commitments currently foreseen which would alter that position.

As well as considering the principal risks and financial position of the Company, the Board has made the following assumptions:

- an ageing population will continue to seek income opportunities through investing;
- investors will continue to wish to have exposure to investing in the Asia Pacific region;
- investors will continue to invest in closed-end funds; and
- the Company will continue to have access to adequate capital when required.

Based on the results of the viability assessment, we have a reasonable expectation that the Company will be able to continue its operations and meet its expenses and liabilities as they fall due for our assessment period of five years. Forecasting over a longer period is imprecise given investments are bought and sold regularly.

Approval

The Strategic report has been approved by the Board.

On behalf of the Board

Ronald Gould
Chairman
10 November 2025

Governance

In this section

The right balance of skills and experience

Board of Directors *(at 10 November 2025)*

Ronald ('Ron') Gould N ME

Position: **Chairman**
(from 21 June 2022)

Date of appointment:
28 October 2021

Skills and experience

Ron is an investor and strategic consultant in the financial services sector in both Asia and Europe. His long career in investment management and banking led to extensive work as a government advisor in both the UK and Asia. He established the Greater China/Asia business of the Promontory Financial Group, leading efforts to improve governance, risk control and regulatory effectiveness for financial companies in Asia from a base in China. Prior to his work with Promontory, he was Chief Executive of Chi-X Asia, successfully developing new market trading venues across the Asian region.

Ron was Senior Adviser to the UK Financial Services Authority and remains a government adviser in several jurisdictions. He was Chief Executive Officer of investment bank ABG Sundal Collier, Managing Director of AXA Investment Managers and Vice Chairman of Barclays Bank asset management activities.

Other appointments

He is Chairman of BlackRock Smaller Companies Trust plc and Think Alliance Group in Hong Kong.

Nicholas George A N ME

Position: **Chairman of the Audit Committee**

Date of appointment:
20 April 2016

Skills and experience

Nicholas is a Chartered Accountant by training and has spent almost his entire working life in various aspects of investment banking, specialising in the Asian markets. In his early career he worked for a number of leading City institutions and joined Robert Fleming Securities initially as head of Asian Securities in London and then moved to Hong Kong to establish a corporate broking division for Jardine Fleming, subsequently taken over by JPMorgan, where he remained as Managing Director. In 2003 he co-founded KGR Capital Partners, a Hong Kong based Asian hedge fund of funds registered with the Securities and Futures Commission. Since that time, he has become a non-executive director of a number of diversified businesses ranging from telecommunications, investment management, hotels to age care. He continues to travel widely throughout Asia, where he has built up an impressive network of contacts.

Other appointments

Nicholas is a director of John Lamb Hill Oldrige Limited.

Timothy ('Tim') Clissold A N ME

Position: **Independent non-executive director**

Date of appointment:
3 September 2018

Skills and experience

Tim qualified as a Chartered Accountant and has worked in Australia, Hong Kong and China, where he was co-founder of one of the first private equity groups in the country. He later ran Goldman Sachs China's distressed investment business in Beijing. He co-founded another business to originate UN carbon offsets from GHG emission reduction projects. Tim is a Visiting Fellow at Jesus College, Cambridge. He mediates in dispute resolution cases where issues have arisen between Chinese and foreign investors and he was a member of the Strategic Advisory Board of Braemar Ventures, a New York venture capital fund focused on energy efficiency technologies. He has written four books, including Mr China and Chinese Rules.

Other appointments

Tim is a non-executive director of Baillie Gifford China Growth Trust plc.

See p.36 Leadership, roles and division of responsibilities

Directors continued

Carole Ferguson

A N ME

Position: **Senior Independent Director**

Date of appointment:
1 December 2023

Skills and experience

Carole is the Chief Executive Officer and Research Director of Carbon Transition Analytics. She has extensive experience in the financial services sector in research, finance, sustainability and derivatives. She worked for 10 years as a director and fund manager at Societe Generale Asset Manager and prior to that worked in derivatives and structured products in both Asia and London for J P Morgan and the Flemings Group.

Other appointments

Carole is a non-executive director of BlackRock Energy and Resources Income Trust plc.

Susan ('Susie') Rippingall

A N ME

Position: **Independent non-executive director**

Date of appointment:
1 December 2023

Skills and experience

Susie has over 30 years' fund management experience in Asian markets and was until 2013, portfolio manager of Scottish Oriental Smaller Companies Trust plc. She worked in Hong Kong and Singapore, travelling extensively throughout the region. She is a former director of Aberdeen New Dawn Investment Trust Limited and Vietnam Enterprise Investments Limited, so brings excellent knowledge of the investment trust sector.

Other appointments

Susie is a non-executive director of First Sentier Group and Sovereign Asset Management.

Steven Wilderspin

A N ME

Position: **Independent non-executive director**

Date of appointment:
5 June 2025

Skills and experience

Steven is a Chartered Accountant who qualified in the financial audit practice of PwC in London before transferring to Jersey where he now lives. He then followed an executive career with investment management and administration businesses with significant Asian client exposure.

In 2007 Steven launched a governance business, subsequently serving on the boards of a range of investment businesses and funds, and commercial companies. Most recently, Steven has specialised in audit and risk roles on listed investment companies. He previously served as chair of Blackstone Loan Financing Limited which is now in liquidation after selling its assets, and chair of the Audit and Risk Committee of 3i Infrastructure plc.

Steven is regulated by the Jersey Financial Services Commission to act as a director and is qualified to conduct investment business in Jersey.

Other appointments

Steven is a non-executive director and chair of the Audit and Risk Committees of HarbourVest Global Private Equity Limited and GCP Infrastructure Investments Limited, and a non-executive director of Phoenix Spree Deutschland Limited.

- ● Chair of Committee
- A Audit Committee
- N Nominations and Remuneration Committee
- ME Management Engagement Committee

Corporate Governance report

Governance structure

Board of Directors

Comprises independent non-executive directors

Chair: Ronald Gould

Senior Independent Director: Carole Ferguson

Audit Committee

Chair:
Nicholas George

Purpose: Ensures the integrity of financial reporting, evaluates the effectiveness of the systems of internal control and risk management, and oversees the relationship with the external auditor

See p.41 Audit Committee Report

Management Engagement Committee

Chair:
Ronald Gould

Purpose: Ensures the performance of service providers meets expectations and their terms of engagement remain appropriate

See p.43 Management Engagement Committee Report

Nominations and Remuneration Committee

Chair:
Ronald Gould

Purpose: Ensures the Board has a balance of skills, experience and diversity, oversees performance reviews of the Board and its committees, considers directors' fees and maintains an effective framework for succession planning, with a formal approach to the appointment of directors

See p.44 Nominations and Remuneration Committee Report

Contractually engages third-party service providers

Janus Henderson

Fund Management: Sat Duhra, Fund Manager

Sales, Marketing, Administration

Corporate Secretary: Janus Henderson Secretarial Services UK Limited

Alternative Investment Fund Manager: Janus Henderson Fund Management UK Limited

Auditor

PricewaterhouseCoopers LLP

Custodian and depositary

JP Morgan Chase Bank N.A. (Jersey Branch) and J.P. Morgan Trust Company (Jersey) Limited

Registrar

Computershare Investor Services plc

Corporate broker

Cavendish Capital Markets Limited

The terms of reference for each of the committees of the Board are kept under regular review and are available at **www.hendersonfareastincome.com**.

Governance codes

The Board is pleased to report to shareholders on the Company's governance arrangements and how the Company has applied the principles of the Code of Corporate Governance published by the Association of Investment Companies.

The Company maintains a listing on the London Stock Exchange and is therefore required to report on how the principles of the UK Corporate Governance Code (the 'UK Code') have been applied. Being an investment company, a number of the provisions of the UK Code are not applicable as the Company has no executive directors or internal operations. Consequently, the Board considers the principles and recommendations of the Code of Corporate Governance published by the Association of Investment Companies issued in 2019 (the 'AIC Code'). The AIC Code addresses the principles set out in the UK Code as well as additional recommendations on issues that are of specific relevance to investment companies. The Financial Reporting Council ('FRC') has endorsed the AIC Code and confirmed that, by following it, the boards of investment companies should meet their obligations in relation to the UK Code and UK Listing Rules.

The Company also maintains a listing on the New Zealand Stock Exchange ('NZX') where it is classified as a Foreign Exempt Issuer. The Listing Rules of the NZX therefore require the Company to comply with the provisions applicable to its Home Exchange, being the London Stock Exchange, at all times, notifying the NZX of any changes pertinent to the listing on the Home Exchange and ensuring that any announcements made to the Home Exchange are simultaneously released to the market in New Zealand. Accordingly, the Company reports against its compliance with the AIC Code rather than the NZX Corporate Governance Code.

An updated version of the UK Corporate Governance Code was published in January 2024, with an updated version of the AIC Code published in August 2024. The new Codes will be applicable to financial years beginning on or after 1 January 2025 and will become applicable to the Company for the current financial year. Copies of the AIC Code and the UK Code can be found on the respective organisations' websites: **www.theaic.co.uk** and **www.frc.org.uk**.

Statement of Compliance

The Board has considered the principles of the AIC Code and confirms that it has complied with these throughout the reporting period.

The Company has no executive directors so does not consider executive remuneration. As a fully managed investment company, the Company has no internal operations so does not maintain an internal audit function, although the Audit Committee regularly considers the need for it.

Overview

The Board is comprised entirely of non-executive directors and has constituted three principal committees: the Audit Committee, the Management Engagement Committee and the Nominations and Remuneration Committee. The Board has also constituted an Insider Committee which meets when required to assist the Board in discharging its responsibilities under the Market Abuse Regulations.

The terms of reference for each Committee are kept under regular review by the Board and are available on the Company's website **www.hendersonfareastincome.com**.

The Board engages third-party service providers to deliver the operations of the Company. Janus Henderson Investors has been appointed to manage the investment portfolio and is the Company's Alternative Investment Fund Manager. The investment manager provides the day-to-day accounting, company secretarial, administrative, sales and marketing activities.
The Company has appointed a custodian and depositary who are responsible for the safe custody of the Company's financial assets and record keeping/asset verification of other assets. The Company has appointed a registrar to maintain the Register of Members and assist shareholders with queries in respect of their holdings. The Company entered into each of these principal engagements after full and proper consideration of the quality and cost of the services offered, including the operation of their internal control systems in relation to the affairs of the Company. The Board and its committees maintain oversight of third-party service providers through regular and ad hoc reporting and ongoing monitoring by the investment manager.

Board leadership and purpose

The Board is responsible for providing leadership and setting the tone from the top in terms of the Company's culture and values. The Board appoints all third-party service providers and monitors their performance throughout the year. The directors formally evaluate the quality of the service provided by each third-party service provider and consider the appropriateness of the terms of their engagement at least annually. The Board aligns the Company's risk appetite with the investment objective set by shareholders and establishes investment restrictions accordingly. The Board keeps under regular review the risks faced by the Company and assesses the effectiveness of internal controls put in place to mitigate these.

As well as making the strategic decisions regarding the Company's purpose and establishing, as well as monitoring, the risk management framework, the Board's purpose is to provide independent oversight of the operations delivered by the Company's third-party service providers and to challenge the decisions and recommendations made by them, particularly the investment manager. The Board does this by meeting formally at least four times a year, with additional Board or committee meetings arranged when required. The directors have regular contact with the Fund Manager and other employees of the investment manager in connection with the delivery of company secretarial, sales, marketing and other administrative services.

The Board has a formal schedule of matters specifically reserved for its decision, which includes setting strategy and providing oversight of performance against agreed measures. It approves any changes to the structure and capital arrangements for the Company, has oversight of financial reporting and assesses the effectiveness of the internal control framework. The Board approves communications with shareholders, the appointment of new directors, oversees governance matters and is responsible for determining the remuneration of individual directors. Each meeting follows an agenda agreed with the Chairman and includes a review of the Company's investment performance, financial position, compliance with the investment parameters and a review of notable changes to the share register, along with any sales and marketing activities undertaken. This reporting enables the Board to ensure that control is maintained over the Company's affairs.

The investment manager ensures that the directors receive relevant management, regulatory and financial information. Employees of the investment manager attend each Board meeting enabling the directors to probe further on matters of concern. The Chairman is invited to attend meetings of all the chairmen of the investment companies managed by the investment manager which provides a forum to discuss industry matters. The directors have access to the advice and services of the Corporate Secretary through its designated representative who is responsible for ensuring that Board and Committee procedures are followed. The proceedings of all Board and Committee meetings are minuted, with any particular concerns raised by the directors appropriately recorded. The Board and the investment manager operate in a supportive, co-operative and open environment.

The Company has a procedure for directors to take independent professional advice at the expense of the Company in the furtherance of their duties. In order to enable them to discharge their responsibilities, all directors have full and timely access to relevant information.

Leadership, roles and division of responsibilities

Role	Primary responsibilities
Shareholders	• approving the Company's investment objective and policy and any material changes; • making decisions regarding changes to the Company's constitution; • electing and re-electing directors to the Board, or removing them from office if deemed appropriate; • determining the overall limit for directors' remuneration; and • formally appointing the statutory auditor.
Chairman	• leading and managing Board business and ensuring the timely flow of information from service providers to the Board. He facilitates open, honest and constructive debate among directors; • leading the Nominations and Remuneration Committee in developing succession planning and the identification of potential candidates for appointment to the Board (except when considering his own succession); • leading the Board in determining its governance framework, culture and values; • representing the Company, alongside the Fund Manager, externally at business, and community level; and • managing the relationship with the investment manager.
Senior Independent Director	• acts as a sounding board to the Chairman; • serves as an intermediary for the other directors and shareholders; and • is responsible for leading the performance evaluation of the Chairman.
Independent non-executive directors	• providing constructive and effective challenge, especially to the decisions of the investment manager; • scrutinising and holding to account the performance of the: – Fund Manager in meeting the investment objective; – investment manager in the promotion of the Company and day-to-day smooth operation of the Company's business; and • providing strategic guidance and offering specialist advice.

Corporate Governance report continued

Role	Primary responsibilities
Committee chairs	• the leadership and governance of their committee; • maintaining the relationships with specialist service providers delivering services within the remit of their committees; • reporting on the activities of their committee to the Board; and • seeking approval from the Board for the responsibilities set out in their respective terms of reference.
Investment manager	• promoting the Company's investment proposition to professional and retail investors; • making the necessary reporting to the FCA regarding the Company's status as an Alternative Investment Fund; • providing accounting, company secretarial and other administrative services to the Company ensuring compliance with the applicable statutory and regulatory provisions; and • coordinating the delivery of services provided by the Company's other third-party service providers.
Fund Manager	• selecting the stocks held within the portfolio; • diversification and risk management through stock selection and size of investment; • determining the volume and timing of acquisitions and disposals; and • determining the frequency and level of gearing within the overall limits set by the Board.

Board composition

At the date of this report, the Board comprises six non-executive directors. Their business experience is set out on pages 32 and 33.

Appointment, tenure and retirement of directors

The Board may appoint directors at any time during the year. Any director so appointed stands for election by shareholders at the next annual general meeting. Directors are generally expected to serve two terms of three years, which may be extended to a third term, and occasionally beyond, at the discretion of the Board and subject to satisfactory performance evaluation and annual re-election by shareholders. This approach takes account of the entirely non-executive membership of the Board and the outsourced business model which the Company uses.

All directors stand for re-election by shareholders annually in keeping with the provisions of the AIC Code. The articles permit shareholders to remove a director before the end of their term by passing an ordinary resolution at a general meeting. An appointment may be terminated by either party giving written notice without compensation payable.

Chairman's tenure

Given the entirely non-executive nature of the Board and the fact that the Chairman may not be appointed as such at the time of their initial appointment as a director, the Chairman's tenure may be longer where this is considered by the Board to be in the best interests of the Company. As with all directors, the continuing appointment of the Chairman is subject to satisfactory performance evaluation, annual re-election by shareholders and may be further subject to the particular circumstances of the Company at the time he intends to retire from the Board.

Directors' independence

The independence of the directors is determined with reference to the AIC Code and is reviewed by the Nominations and Remuneration Committee at least annually. The Committee considers each of the director's other appointments and commitments, as well as their tenure and any connections they may have with the investment manager or other key service providers. Following completion of the evaluation, the Committee concluded that all directors continued to be independent in character and judgement.

The Board is firmly of the view that length of service does not automatically impair a director's ability to act independently, but that the longer perspective adds value to the deliberations of the Board, especially in light of its entirely non-executive nature.

Diversity

The Board supports the principle of boardroom diversity, of which gender and ethnicity are two aspects. The Company's policy is that the Board should comprise directors with a diverse range of skills, knowledge and experience and that all appointments should be made on merit, against objective criteria. The objective of the policy is to have a broad range of approaches, backgrounds, skills, knowledge and experience present on the Board. Diversity of perspectives and backgrounds is therefore a key consideration in any director search process.

Alongside this, the Board will not discriminate on the grounds of age, gender, personal background, sexual orientation, disability or socioeconomic background in considering the appointment of directors.

The UK Listing Rules require companies to report on whether they have achieved the following diversity targets:

- at least 40% of individuals on the board are women;
- at least one senior board position is held by a woman;
- at least one individual on the board is from a minority ethnic background.

At 31 August 2025, the Board complied with these requirements.

Gender diversity	Number of Board members	% of the Board	Number of senior positions on the Board[1]
Men	4	57	1
Women	3	43	1
Ethnic diversity			
White British or other white	6	85	2
Other	1	15	–

1 As a fully managed investment company, the Company does not have a CEO or CFO. Accordingly, only the roles of chair and senior independent director are applicable to this disclosure

Conflicts of interest

The articles permit the Board to consider and, if it sees fit, to authorise situations where a director has an interest that conflicts, or may possibly conflict, with the interests of the Company ('situational conflicts'). The Board has a formal process in place for directors to declare situational conflicts to be authorised by those directors who have no interest in the matter being considered. In deciding whether to authorise a situational conflict, the non-conflicted directors must act honestly and in good faith with a view to the best interests of the Company. The directors may impose limits or conditions when giving the authorisation, or subsequently, if they think this is appropriate. Any situational conflicts which are considered, are recorded in the minutes.

Induction and ongoing training

Newly appointed directors are offered a bespoke induction programme which covers the legal and regulatory framework for investment companies and the operations of the investment manager, including the compliance and risk management frameworks, accounting, sales and marketing, and other administrative services carried out by the investment manager.

Directors are provided with information on the Company's policies, regulatory and statutory requirements affecting the Company, as well as changes to the directors' responsibilities as they arise. They are encouraged to attend external training and industry seminars, and may do so at the expense of the Company.

Directors' time commitment

The Board expects directors to be able to devote sufficient time to meet the demands of the business. Directors should attend all scheduled meetings except when unforeseen and serious circumstances arise at short notice, such as sudden illness or death in the close family. The Board expects directors to be able to make themselves available at reasonably short notice to consider any ad hoc matters that may arise.

Directors' other commitments are considered as part of the candidate selection process for new appointments and annually as part of the overall performance evaluation of each director.

The table below sets out individual directors' meeting attendance for the period under review. In addition to the meetings indicated in the table, one further strategy session was held during the period. All directors in office at the time of the annual general meeting held on 24 January 2025, attended this meeting.

Director	Board	Audit Committee	Nominations and Remuneration Committee	Management Engagement Committee
Ronald Gould	4/4	4/4[1]	2/2	1/1
Julia Chapman[2]	4/4	4/4	2/2	1/1
Timothy Clissold	4/4	4/4	2/2	1/1
Carole Ferguson	4/4	4/4	2/2	1/1
Nicholas George	4/4	4/4	2/2	1/1
Susan Rippingall	4/4	4/4	2/2	1/1
Steven Wilderspin[3]	1/1	1/1	0/0	0/0

1 Attends the Audit Committee by invitation
2 Retired on 29 October 2025
3 Appointed to the Board on 5 June 2025

Succession planning

To be effective the Board must maintain a balance of skills and experience, and seek to refresh these on a regular basis to ensure that the Board's oversight of the Company's operations is robust.

As the Board is comprised entirely of non-executive directors and all operations are outsourced, ensuring a suitable balance of skill and experience includes retaining a detailed knowledge of the Board's deliberations and decisions over the long term, which may mean some directors remain on the Board for longer than nine years. The Board usually considers its membership annually following individual performance evaluation and when recommending directors to shareholders for re-election. The Board maintains a succession plan which remains subject to the challenges facing the Company at the time these plans are implemented, the skills the Board believes it requires to ensure the safeguarding of shareholders' assets and the obligations placed on it by the Jersey regulator in respect of the number of Jersey based directors who must be appointed to the Board.

Performance evaluation

During the year, the performance of the Board, Committees, and individual directors was evaluated though an assessment process led by an external facilitator, Fletcher Jones.

The review process was tailored to the specific environment, operating style and strategic goals and challenges faced by the Company. It involved each director completing a questionnaire, followed by private one-to-one conversations between the external reviewer and each director, the Fund Manager and the Company Secretary. The anonymity of the respondents was ensured throughout the process, in order to promote an open and frank exchange of views.

The external reviewer provided a formal report of their findings, which was considered by the Board. The report presented an objective view on the current working of the Board as a whole as well as the quality of contributions made by individual directors. The intention of the review process was to further strengthen the working of the Board by providing an opportunity for the objective consideration of the Board's strengths and current skills, any areas for further development, and any potential gaps in its composition. The report also considered the challenges, opportunities and strategic direction of travel anticipated over the near to medium-term.

The report's findings noted that the Board and each committee was operating effectively, with an appropriate and sufficient balance of experience and skills on all areas of importance, resulting in a well-managed, well-run, and effective board. Some minor points for development were highlighted, which will be discussed and actioned by the Board. The main theme identified by the review was that of a respectful Board faced with a number of challenges. Topics such as further investor engagement, facilitating the succession of the Audit Committee Chairman, continuing to refine strategy, oversee performance, and navigating a difficult macro-economic environment were key themes, which are all discussed proactively.

Risk management and internal control

The Board has overall responsibility for the Company's system of internal control and for reviewing its effectiveness. The Board has established an ongoing process for identifying, evaluating and managing the principal risks faced by the Company. The process accords with the FRC's guidance on Risk Management, Internal Control and Related Business and Financial Reporting. The system was in operation throughout the year and up to the date of this report. The system is designed to meet the specific risks faced by the Company and takes account of the nature of the Company's reliance on its service providers and their internal controls. The system therefore manages rather than eliminates the risk of failure to achieve the Company's business objectives and provides reasonable, but not absolute assurance against material misstatement or loss.
The diagram on the following page illustrates the Company's framework.

The key components of the internal control framework include:

- clearly defined investment criteria, specifying levels of authority and exposure limits. The Board reviews reports on investment performance against and compliance with the criteria at each meeting;
- regular financial reporting which allows the Board to assess the Company's financial position. The management accounts and forecasts are reviewed by the Board at each meeting;
- contractual agreements with the investment manager and all other third-party service providers. The Board reviews performance levels and adherence to relevant provisions in the agreements on a regular basis through reporting to the Board and conducts a formal evaluation of the overall level of service provided at least annually;
- the review of controls at the investment manager and other third-party service providers. The Board receives quarterly reporting from the investment manager and depositary, and reviews assurance reports on the effectiveness of the control environments at the Company's key service providers;
- review of additional reporting provided by:
  - the investment manager's Operational Risk team on the control environment in operation at the investment manager and their view of the control environments in place at the third-party service providers used by the Company; and
  - the investment manager's Internal Audit team on areas of operation which are relevant to the Company.

The Audit Committee's usual review of the reports on the effectiveness of internal controls in operation at its key service providers identified that two reports had received qualified opinions from the service auditor. The Audit Committee considered the particular controls giving rise to the respective qualifications, whether these had impacted the Company directly and what corrective actions were being taken by management. Following these discussions, the Audit Committee was satisfied that the Company's internal controls had operated as intended and that the qualifications had no direct impact on the Company.

The Board has reviewed the effectiveness of the Company's system of internal controls for the year ended 31 August 2025 and is satisfied that it has not identified or been advised of any failings or weaknesses that have been determined as significant.

By order of the Board
Janus Henderson Secretarial Services UK Limited
Corporate Secretary
10 November 2025

System of internal controls

How the system of internal control operates

The Board appoints third-party service providers to undertake the Company's operational activities. It maintains oversight of these service providers throughout the year by receiving regular reporting on their activities.

In respect of its principal service providers, the Board receives quarterly reporting on the control environment and assesses the effectiveness of the control environment through review of the independently audited assurance reports from each organisation.

The management Engagement Committee formally evaluates the performance and service delivery of all service providers at least annually.

The Audit Committee evaluates the performance, independence and objectivity of the statutory auditor as part of each audit cycle.

PricewaterhouseCoopers LLP
(Statutory auditor)

Board of Directors
(six non-executive directors)

Janus Henderson ('JHI' or investment manager)
(Investment management, company secretarial, sales, marketing, financial reporting and administration)

Reporting
- Investment performance update at each meeting
- Investment limits and restrictions (monthly)
- Internal controls report (quarterly)
- Effectiveness of control environment (annually)

JP Morgan Chase Bank N.A. (Jersey Branch) and J.P. Morgan Trust Company (Jersey) Limited
Depositary/Custodian

Reporting
- Depositary's report (quarterly)
- Presentation from the depositary and custodian (annually)
- Effectiveness of control environment (annually)

BNP Paribas ('BNP')
(Accounting and administration services engaged by the Manager)

Reporting
- Balance sheet
- Liquidity and gearing
- Income forecasts
- Portfolio valuation
- Portfolio transactions
- Portfolio attribution
- Effectiveness of control environment (annually)

Computershare Investor Services PLC ('Computershare')
(Registrar)

Reporting
- Voting and scrutineer reports pre- and post-shareholder meetings
- Shareholder correspondence
- Operational service updates
- Effectiveness of control environment (annually)

Audit Committee report

Nicholas George, Chairman of the Audit Committee reports to shareholders on the Committee's activities for the year to 31 August 2025.

The Audit Committee is responsible for ensuring the integrity of the Company's financial reporting, evaluating the effectiveness of the systems of internal control and risk management and monitoring the effectiveness and objectivity of the external auditor.

Membership

All of the independent non-executive directors are members of the Committee, excluding the Chairman of the Board. The Committee is chaired by Nicholas George, who is considered by the Board to have recent and relevant financial experience.

Meetings

The Committee meets four times a year. The Company's auditors, the Fund Manager and the investment manager's Financial Reporting Senior Manager for Investment Trusts are invited to attend meetings of the Committee on a regular basis, as is the Chairman of the Board. Other representatives of the investment manager and BNP Paribas may also be invited to attend if deemed necessary by the Committee.

Activities during the year

In discharging its duties over the course of the year, the Committee considered:

- the appropriateness of the Company's accounting policies and of the quality and effectiveness of the accounting records and management information maintained on behalf of the Company;
- the Company's annual report and half-year financial statements, whether these were fair, balanced and understandable, and the use of the going concern basis for their preparation;
- the assessment of the principal risks facing the Company and its long term viability in light of these risks;
- the independently reviewed reports on the effectiveness of internal controls in operation at the Company's key third-party service providers;
- the need for a separate internal audit function;
- the nature and scope of the statutory audit, agreeing the auditor's fee and reviewing their findings;
- the policy on the provision of non-audit services that may be provided by the auditor; and
- the whistleblowing arrangements in place at the investment manager enabling staff to raise concerns about possible improprieties in confidence.

Internal audit function

Systems are in operation to safeguard the Company's assets and shareholders' investments, to maintain proper accounting records and to ensure that financial information used within the business, or published, is reliable.

The Company is an investment company, has no employees and delegates all executive activities to third-party service providers, principal among them, the investment manager. The Board places reliance on the Company's framework of internal control and the Audit Committee's view on reporting received from specific second and third line of defence teams at the investment manager.

The investment manager's Operational Risk team support the Audit Committee in considering the independently reviewed reports on the effectiveness of internal controls in place at the Company's third-party service providers. The investment manager's Internal Audit function provides regular reporting to the Board on the operations at the investment manager and presents at least annually to the Audit Committee. The Audit Committee has therefore concluded, and accordingly made a recommendation to the Board, that it is not necessary for the Company to have its own internal audit function at the present time.

Appointment and tenure of the auditor

The Company follows the EU Audit Directive and Regulation which sets out that the Company should conduct an audit tender every ten years and rotate audit firms every 20 years.

The Audit Committee carried out an audit tender process in 2022 which resulted in the appointment by shareholders of PricewaterhouseCoopers LLP ('PwC') at the annual general meeting held on 27 January 2023. PwC presented their first report in respect of the year ended 31 August 2023.

Subject to the audit being effective and shareholder re-election of PwC as the statutory auditor, the Audit Committee does not envisage conducting a further audit tender process until 2032.

Auditor's independence

The Committee monitors the auditor's independence through three aspects of its work: the approval of a policy regulating the non-audit services that may be provided by the auditor to the Company; assessing the appropriateness of the fees paid to the auditor for all work undertaken by them and by reviewing the information and assurances provided by the auditor on their compliance with the relevant ethical standards.

PwC confirmed that all of its partners and staff involved with the audit were independent of any links to the Company, and that these individuals had complied with their ethics and independence policies and procedures which are fully consistent with the FRC's Ethical Standards.

Significant matters

In relation to the annual report for the year ended 31 August 2025, the following significant matters were considered by the Committee:

Significant matter	How the issue was addressed
Valuation and ownership of the Company's investments	The directors have appointed the investment manager to perform the valuation of the Company's assets in accordance with its responsibilities under the AIFMD rules. As required under the AIFMD rules, the investment manager has adopted a written valuation policy, which may be modified from time to time. Actively traded investments are valued using stock exchange prices provided by third-party pricing vendors. The options are valued by reference to the Black-Scholes model. Ownership of listed investments is verified by reconciliation to the custodian's records and the directors have received quarterly reports from the depositary, who has responsibility for overseeing the Company's operations, including verification of ownership and valuation. The Board reviews the portfolio valuation at each meeting.
Recognition of income	Income received, including special dividends, is accounted for in line with the Company's accounting policy (as set out on page 62). Special dividends, and their treatment as revenue or capital, have been reviewed by the Committee and the rationale agreed. The Board reviews revenue forecasts at each Board meeting in support of the Company's future dividends.
Internal control environment	The Committee performs oversight over the Company's service providers by receiving regular reports on internal controls from its key third-party service providers. The Committee has access to the relevant personnel of JHI who have a responsibility for risk management and internal audit. The assurance report for two of the Company's service providers was qualified by the respective service auditor. The Committee thoroughly reviewed the instances giving rise to the qualification and received confirmation that the exceptions identified had no impact on the Company.
Viability and going concern	The Committee scrutinised assumptions around the Company's viability, especially factors behind macroeconomic and geopolitical uncertainties, US tariff reform and economic uncertainties, to satisfy itself of the Company's resilience over the five-year time frame. The Committee further considered the appropriateness of using the going concern basis of preparation for the financial statements and the Company's ability to continue in operational existence for at least twelve months from the date of their approval.
FRC review of the Company's audit	The Company's audit for the year ended 31 August 2024 was selected by the Financial Reporting Council ('FRC') for review as part of their audit quality inspections. The review assessed the quality of the audit as 'good' and there were no key or other findings. The Committee considered the findings set out in the FRC's letter to the Company.

Policy on non-audit services

The Committee has approved, and keeps under regular review, the policy on the provision of non-audit services by the auditor. The policy sets out that the Company's auditor will not be considered for non-audit work where this is prohibited by the current EU regulations and where it appears to affect their independence and objectivity. In addition, the provision of any non-audit services by the auditor is not permitted to exceed 70% of the average annual statutory audit fee for the three consecutive financial periods preceding the financial period to which the cap applies. Such services require approval in advance by the Audit Committee, or Audit Committee Chairman, following due consideration of the proposed services.

Effectiveness of the external audit

The Committee's process for evaluating the effectiveness of the external audit comprises two components: consideration is given to the findings of the FRC's latest Audit Quality Inspection Report for the auditor and a post-audit assessment is carried out led by the Committee Chairman. In assessing the effectiveness of the audit process, the Committee Chairman invites views from the directors, Fund Manager and other members of the investment manager's staff in assessing the robustness of the audit, level of challenge offered by the audit team, the quality of the audit team and timeliness of delivering the tasks required for the audit and reporting to the Committee.

On completion of the assessment, the Committee remained satisfied with the effectiveness of the audit provided by PwC.

Nicholas George
Chairman of the Audit Committee
10 November 2025

Management Engagement Committee report

Ronald Gould, Chairman of the Management Engagement Committee, reports to shareholders on the Committee's activities during the year to 31 August 2025.

The Management Engagement Committee is responsible for formally evaluating the overall performance of and terms of engagement of the investment manager and other third-party service providers engaged by the Company.

Membership

The Committee is chaired by the Chairman of the Board.

All of the independent non-executive directors are members of the Committee.

Meetings

The Committee meets at least annually, with additional meetings scheduled when required.

Activities during the year

In discharging its duties over the course of the year, the Committee considered:

- the investment performance of the Company, taking account of the comparator indices and performance of competitors in the closed-end and open ended sectors, the share price, the level of premium and, for a short period, the discount, as well as the gearing;
- the quality and experience of the team involved in managing all aspects of the Company's business;
- the fee structures of its closed-end competitors and other, similar sized investment companies;
- the key clauses of the investment agreement, how the investment manager had fulfilled these and whether these continued to be appropriate; and
- the performance and fees of the Company's other third-party service providers, including the broker, depositary, custodian, registrar, research providers, legal counsel and accountants.

Continued appointment of the investment manager and service providers

The findings of the annual effectiveness review of the investment manager and other service providers were positive overall.

Following completion of the review, the Committee recommended to the Board that the continued appointment of the investment manager on the terms agreed was in the best interests of the Company's shareholders as a whole and its long-term sustainable success.

The Committee also recommended the continuation of the other third-party service providers' appointments. The Board subsequently approved the Committee's recommendations.

Ronald Gould
Chairman
10 November 2025

Nominations and Remuneration Committee report

Ronald Gould, Chairman of the Nominations and Remuneration Committee, reports to shareholders on the Committee's activities during the year to 31 August 2025.

The Nominations and Remuneration Committee is responsible for ensuring the Board retains an appropriate balance of skills, experience and diversity, has a formal, rigorous and transparent approach to the appointment of directors and maintains an effective framework for succession planning. The Committee further considers the overall policy and approach to the remuneration of the non-executive directors and makes recommendations to the Board on the level of remuneration for individual roles.

Meetings

The Committee meets at least annually, with additional meetings scheduled when required.

Membership

The Committee is chaired by the Chairman of the Board, except when discussing succession planning for his role.

All of the independent non-executive directors are members of the Committee.

Activities during the year

In discharging its duties over the course of the year, the Committee considered:

- the composition of the Board and each of its committees, taking account of the skills, experience and knowledge of each director and whether the diversity of these continued to contribute to the success of the Company;
- the process to be used for the recruitment of a new director, as well as the characteristics, qualities and experience determined as a priority for any successful candidate;
- the tenure of each of the directors, giving consideration as to whether the Board retained a sufficient balance of length of service without becoming complacent;
- the independence of the directors taking account of the guidelines established by the AIC Code as well as the directors' other commitments;
- the time commitment of the directors and whether this had been sufficient over the course of the year;
- succession planning for appointments to the Board, the tenure of the current directors and recommendations of the AIC Code in respect of the length of service of directors and the Chairman;
- the contribution of the directors standing for re-election at the forthcoming annual general meeting;
- the Company's remuneration policy with a view to ensuring this continued to reflect market practice and enable the Company to attract and retain an appropriate calibre of director; and
- the individual remuneration of the Chairman, Senior Independent Director, Chairman of the Audit Committee and other directors, making appropriate recommendations to the Board based on their findings.

Directors' remuneration

The Committee reviewed the directors' fees and increases in the AIC Asia Pacific Equity Income sector and wider AIC Asia Pacific sector, along with the fees paid by trusts of a similar size and those paid to other trusts managed by the investment manager. The Committee further considered the annual review of fees for the sector prepared by Trust Associates.

Taking account of the responsibilities borne by directors, the Committee recommended that fees be increased and proposed rates applicable to each role. The Board subsequently approved the recommendation. The last increase to directors' fees was made in 2016.

Recruitment

With Julia Chapman due to retire from the Board, the Committee led the search for a Jersey resident director.

Proposals from several recruitment firms were reviewed by the Committee and Fletcher Jones was engaged to assist with the search for a suitable candidate. Fletcher Jones undertook the externally facilitated performance evaluation of the Board, its committees and individual directors, stepping in to undertake this exercise when the service provider initially selected was unable to fulfil the engagement.

A role description was prepared setting out the core competencies for the role and Fletcher Jones compiled a long list of candidates with a suitable background in accounting and auditing. The Committee reviewed the list and agreed to invite a number of candidates for interviews.

Following completion of the interviews, the Committee was pleased to recommend the appointment of Steven Wilderspin to the Board. The Board subsequently approved his appointment and Steven was appointed as a director on 5 June 2025.

Directors for re-election

The Committee considered the performance of the directors standing for re-election at the forthcoming annual general meeting and concluded that all directors should be supported.

The Committee's view was that the directors continued to bring their wide-ranging knowledge and experience to bear in making decisions regarding the Company and are able to commit additional time as necessary.

The Committee further recommended that the Board support the election of Steven Wilderspin by shareholders, following his appointment to the Board during the year under review.

Ronald Gould
Chairman
10 November 2025

Directors' Remuneration report

The report sets out how the Company's Remuneration Policy has been implemented during the year.

A resolution to approve this report will be put to shareholders at the forthcoming annual general meeting.

Statement from the Chairman

Directors' remuneration is reviewed annually by the Nominations and Remuneration Committee, with appropriate recommendations made to the Board.

Following recommendations from this Committee, the Board approved increases in directors' fees for the first time since 2016. Further details on the Committee's process for reviewing the fees are set out in their report on page 44.

Directors' fees

Directors' fees are set out in the table below.

Role	Rate at 31 August 2025 £	Rate at 31 August 2024 £
Chairman of the Board	45,000	40,950
Chairman of the Audit Committee	38,200	35,700
Senior Independent Director	33,500	n/a
Non-executive director	31,500	29,400

Directors' interests in shares

The directors' interests in the Company's shares are set out in the table below.

	Number of ordinary shares	
	31 August 2025	31 August 2024
Ronald Gould	46,723	46,723
Timothy Clissold	80,000	80,000
Julia Chapman[1]	2,616	2,616
Carole Ferguson	12,000	6,000
Nicholas George	47,550	47,550
Susan Rippingall	12,000	12,000
Steven Wilderspin[2]	–	n/a

1 Retired as a director on 29 October 2025

2 Appointed as a director on 5 June 2025

There have been no changes in directors' interests since 31 August 2025 and the date of this report.

Remuneration Policy

The Remuneration Policy (the 'Policy') sets out the principles applied in the remuneration of the Company's directors. The Policy was last approved by shareholders at the annual general meeting on 24 January 2024 and will put to shareholders for consideration at the annual general meeting to be held in 2027.

The Company's approach is that fees should:

- reflect the time spent on the Company's affairs;
- reflect the responsibilities borne by the directors;
- be sufficient to promote the long-term success of the Company; and
- not exceed the aggregate limit established by shareholders (currently £250,000).

Directors are remunerated in the form of fees which are payable quarterly in arrears. The level of remuneration paid to each director is reviewed annually, although such review will not necessarily result in a change to the fee. No director is eligible to receive bonuses, pension benefits, share options or other benefits and no long-term incentive schemes are in place. The directors may be reimbursed for all reasonable and properly documented expenses incurred in the performance of their duties. Given that Board meetings are held in the UK and that certain directors' expenses are taxable, non-UK based directors receive an additional amount of £3,000 per annum in lieu of claiming expenses so as not to disadvantage them from serving on the Board.

The Policy, irrespective of changes, is put to shareholders at intervals of not more than three years.

Shareholders' views

Any feedback from shareholders on the fees paid to directors is taken into account by the Board when reviewing remuneration levels.

Letters of Appointment

All directors are non-executive and are appointed under a Letter of Appointment, which is an engagement for services and not a contract for employment. The appointment may be terminated at any time by written notice with no compensation payable.

Recruitment principles

All directors, including any new appointments to the Board, are paid at the same rate. The Chairman of the Board, Senior Independent Director and Chairman of the Audit Committee are paid a higher fee in recognition of their additional responsibilities.

Directors' fees

The fees paid to the directors who served during the years ended 31 August 2025 and 31 August 2024 were as follows:

	Year ended 31 August 2025			Year ended 31 August 2024		
	Fees £	Taxable benefits £	Total £	Fees £	Taxable benefits £	Total £
Ronald Gould[1]	43,650	–	43,650	40,950	–	40,950
Julia Chapman[2]	35,133	–	35,133	32,400	–	32,400
Timothy Clissold	30,800	–	30,800	29,400	–	29,400
Carole Ferguson	30,800	–	30,800	22,077	–	22,077
Nicholas George[3]	37,367	–	37,367	35,700	–	35,700
David Mashiter[4]	–	–	–	12,936	–	12,936
Susan Rippingall	30,800	–	30,800	22,077	–	22,077
Steven Wilderspin[5]	8,214	–	8,214	–	–	–
Total	**216,764**	**–**	**216,764**	**195,540**	**–**	**195,540**

Non-UK based directors are paid an additional amount of £3,000 in lieu of claiming expenses so as not to disadvantage them from serving on the Board.

Notes:
1 Chairman and highest paid director
2 Retired as a director on 29 October 2025
3 Chairman of the Audit Committee
4 Retired as a director on 24 January 2024
5 Appointed as a director on 5 June 2025

Ronald Gould
Chairman
10 November 2025

Directors' report

The directors present their report and the audited financial statements for the year ended 31 August 2025.

The Corporate Governance Report, committee reports and Additional information on pages 34 to 44 and 80 to 85, form part of this report.

Share capital

The Company's share capital comprises ordinary shares of no par value, with each share carrying one vote per share. As at 31 August 2025 there were 182,544,679 ordinary shares in issue with total voting rights in the same amount.

The directors seek annual authority from shareholders to allot shares, disapply pre-emption rights in respect of these allotments and to buy back, whether to be cancelled or held in treasury, the Company's ordinary shares. At the annual general meeting held on 24 January 2025, shareholders authorised the directors to allot and disapply pre-emption rights in respect of 10% of the issued share capital and to repurchase up to 14.99% of the issued share capital at the date of the meeting. At a further general meeting held on 5 August 2025, shareholders authorised the directors to allot and disapply pre-emption rights over a further 10.0% of the issued share capital.

No shares were repurchased during the year under review. A total of 17,607,500 new ordinary shares were issued at prices ranging from 200.0p to 238.00p per share. The new shares allotted amounted to 10.7% of the issued share capital at the start of the period and were issued for proceeds (net of commissions and costs) of £39.1m.

There are no restrictions concerning the transfer of shares in the Company, no special rights with regard to control attached to shares, no restrictions on voting, no agreements between holders of shares regarding their transfer known to the Company and no agreement to which the Company is party that affects its control following a takeover bid. The holders of ordinary shares are entitled to all capital growth in the Company and all the income from the Company that is resolved by the directors to be distributed. Upon a winding-up, after meeting the liabilities of the Company, the surplus assets would be distributed to the shareholders pro rata to their holding of ordinary shares.

Holdings in the Company's shares

There are no notifiable holdings as required by the UK Listing Rules.

Related party transactions

The Company's current related parties are its directors and the investment manager. There have been no material transactions between the Company and the directors during the year, with the only amounts paid to them being in respect of remuneration. In relation to the provision of services by the investment manager, other than fees payable by the Company in the ordinary course of business and the provision of marketing services, there have been no material transactions with the investment manager affecting the financial position of the Company during the year under review. More details on transactions with the investment manager, including amounts outstanding at the year end, are given in note 19 on page 77.

Annual General Meeting

The Company's annual general meeting will be held at 12.30 pm on 20 January 2026 at 201 Bishopsgate, London, EC2M 3AE. For those unable to travel, the event will be streamed live on the internet: **https://www.janushenderson.com/hfel-agm**.

No live voting will be available via this medium so members not attending the physical meeting are encouraged to submit their votes via proxy, or through their share dealing platform, ahead of the respective deadlines.

Instructions on attending the meeting and details of resolutions to be put to shareholders are included in the Notice of Meeting set out in this annual report. If shareholders would like to submit any questions in advance, they are welcome to send these to the corporate secretary at **itsecretariat@janushenderson.com**.

Directors' statement as to disclosure of information to the auditor

Each of the directors who were members of the Board at the date of approval of this report confirms that to the best of their knowledge and belief, there is no information relevant to the preparation of the annual report of which the Company's auditor is unaware and they have taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditor are aware of that information.

Borrowings

The Company had a £50m multi-currency loan facility with SMBC Bank International plc. The facility expired on 18 August 2025 and the Board opened a new facility for the same amount with Royal Bank of Scotland International Limited, London Branch in August 2025.

The maximum amount drawn during the reporting period was £49.2m (2024: £48.9m) with borrowing costs and interest totalling £1.67m (2024: £1.95m).

Directors' insurance and indemnification

Directors' and officers' liability insurance cover is in place which indemnifies the directors against certain liabilities arising from the carrying out of their duties. The Company's articles of association further permit indemnities to be put in place for directors in respect of costs which they may incur relating to the defence of any proceedings brought against them arising from their position as directors, of which they are acquitted or judgement is given in their favour. No such indemnities were in place during the reporting period or up to the date of this report.

Single identifiable table (UKLR 6.6)

Principal activities	Refer to the Investment objective and Investment policy on page 18
Incorporation details	Refer to The Company's structure on page 18
Details of new ordinary shares issued	Refer to Share capital on page 47
Directors at the date of this report	Refer to pages 32 and 33
Dividends paid during the year	Refer to note 9 on page 67
For the Company's registered office, service providers and auditor	Refer to Corporate information on page 85

By order of the Board

Janus Henderson Secretarial Services UK Limited
Corporate Secretary
10 November 2025

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

The Companies (Jersey) Law 1991 requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable IFRS as adopted by the European Union 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.

The directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. They are further responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies (Jersey) Law 1991. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities. The directors confirm they have complied with all the above requirements in preparing the financial statements.

Fair, balanced and understandable

The directors consider 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 and performance, business model and strategy.

Statement under Disclosure Guidance and Transparency Rule 4.1.12

Each of the directors in office at the date of this report, confirms that to the best of their knowledge:

- the Company's financial statements, which have been prepared in accordance with IFRS as adopted by the European Union on a going concern basis, give a true and fair view of the assets, liabilities, financial position and profit of the Company; and
- the annual report and financial statements 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 it faces.

On behalf of the Board

Ronald Gould
Chairman
10 November 2025

The financial statements are published on the Company's website, **www.hendersonfareastincome.com**, the maintenance and integrity of which is the responsibility of Janus Henderson Investors. Legislation in Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Financial statements

In this section

Independent auditors' report to the members of Henderson Far East Income Limited

Report on the audit of the financial statements

Opinion

In our opinion, Henderson Far East Income Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 August 2025 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards ('IFRSs') as adopted in the European Union;
- have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

We have audited the financial statements, included within the Annual Report 2025 (the 'annual report'), which comprise: the Balance Sheet as at 31 August 2025; the Statement of Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the Audit Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' 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.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the Financial Reporting Council's ('FRC') Ethical Standard, as applicable to listed public interest entities in accordance with the requirements of the Crown Dependencies' Audit Rules and Guidance for market-traded companies, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

We have provided no non-audit services to the Company in the period under audit.

Our audit approach

Overview

Audit scope

- Overall Materiality: £4,076,000 based on 1% of net assets.
- The Company is a standalone investment trust company and engages Janus Henderson Fund Management UK Limited (the 'investment manager') to manage its assets.
- We conducted our audit of the financial statements using information from BNP Paribas S.A. (the 'administrator') to whom the investment manager, with the consent of the directors, delegated the provision of certain administrative functions.
- We tailored the scope of our audit taking into account the types of investments within the Company, the involvement of the third-parties referred to above, the accounting processes and controls, and the industry in which the Company operates.
- We obtained an understanding of the control environment in place at both the investment manager and the administrator and adopted a fully substantive testing approach using reports obtained from the administrator.

Key audit matters

- Valuation and existence of investments and written options.
- Accuracy, occurrence and completeness of income from investments.

Materiality

- Overall materiality: £4,076,000 (2024: £3,661,000) based on 1% of net asset value.
- Performance materiality: £3,057,000 (2024: £2,746,000).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditor's professional judgement, were of most significance in the 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) identified by the auditor, 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, and any comments we make on the results of our procedures thereon, 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.

This is not a complete list of all risks identified by our audit.

The key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
Valuation and existence of listed investments and written options	
Refer to the Audit Committee report and note 10 to the financial statements. The investment portfolio at the year end comprised listed equity investments held at fair value through profit or loss valued at £439.6 million. The written options are also held at fair value through profit or loss and are valued at £6.7 million as a liability.	We assessed the accounting policy for investments held at fair value through profit or loss for compliance with accounting standards and performed testing to check that investments are accounted for in accordance with the stated accounting policy. We tested the valuation of all the listed equity investments by agreeing the prices used in the valuation to independent third-party sources. We tested the valuation of a sample of written options by performing an independent revaluation. We tested the existence of all the listed investments agreeing investment holdings to an independent custodian confirmation. We selected a sample of the written options to agree to third party confirmations. Our procedures did not identify any material misstatements.
Accuracy, occurrence and completeness of income from investments	
Refer to the Audit Committee report and note 3 to the financial statements. Income from investments comprised dividend income. We focused on the accuracy, completeness and occurrence of investment income recognition as incomplete or inaccurate income could have a material impact on the Company's net asset value and dividend cover. We also focused on the accounting policy for investment income recognition and the presentation of investment income in the Statement of Comprehensive Income for compliance with the requirements of the Association of Investment Companies Statement of Recommended Practice (the 'AIC SORP'), as incorrect application could indicate a misstatement in income recognition.	We assessed the accounting policy for investment income recognition for compliance with accounting standards and the AIC SORP and performed testing to check that income from investments had been accounted for in accordance with this stated accounting policy. We found that the accounting policies implemented were in accordance with accounting standards and the AIC SORP, and that income from investments has been accounted for in accordance with the stated accounting policy. We tested accuracy of dividend receipts by agreeing a sample of the dividend rates from investments to independent market data. To test for completeness, we tested, for all investment holdings in the portfolio, that all dividends declared in the market for investment holdings had been recorded. We also tested the allocation and presentation of dividend income between the revenue and capital return columns of the Statement of Comprehensive Income in line with the requirements set out in the AIC SORP by determining reasons behind dividend distributions. We verified the occurrence of dividend and derivative income by ensuring that the recorded dividend and derivative income for the year was earned by tracing a sample of received dividend and derivative income to the bank statements. Our procedures did not identify any material misstatements.

Independent auditors' report to the members of Henderson Far East Income Limited
continued

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which it operates.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

The impact of climate risk on our audit

In planning and conducting our audit, we made enquiries of the directors and investment manager to understand the extent of the potential impact of the climate change risk on the Company's financial statements. Both concluded that the impact on the measurement and disclosures within the financial statements is not material because the Company's investment portfolio comprises mostly Level 1 quoted securities which are valued at fair value based on market prices. We found this to be consistent with our understanding of the Company's investment activities.

We also considered the consistency of the climate change disclosures included in the Strategic report with the financial statements and our knowledge from our audit.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

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

Overall company materiality	£4,076,000 (2024: £3,661,000).
How we determined it	1% of net asset value.
Rationale for benchmark applied	We believe that net assets is the primary measure used by the shareholders in assessing the performance of the Company, and is a generally accepted auditing benchmark. This benchmark provides an appropriate and consistent year on year basis for our audit.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2024: 75%) of overall materiality, amounting to £3,057,000 (2024: £2,746,000) for the Company financial statements.

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls – and concluded that an amount in the upper of our normal range was appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £203,000 (2024: £183,000) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- evaluating the directors' risk assessment and considering whether it addressed relevant threats;
- evaluating the directors' assessment of potential operational impacts, considering their consistency with other available information and our understanding of the business and assessed the potential impact on the financial statements;
- reviewing the directors' assessment of the Company's financial position in the context of its ability to meet future expected operating expenses, their assessment of liquidity as well as their review of the operational resilience of the Company and oversight of key third-party service providers; and
- assessing the implication of significant reductions in net asset value as a result of market performance on the ongoing ability of the Company to operate.

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 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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's ability to continue as a going concern.

From our work on the Corporate Governance report described below, 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.

Reporting on other information

The other information comprises all of the information in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

Corporate governance statement

As explained in the Corporate Governance report, the directors have chosen to demonstrate how the company has met its obligations under the UK Corporate Governance Code ('the Code') by reporting under the 2019 Association of Investment Companies' Code of Corporate Governance ('the AIC Code'). As such, we refer to the AIC Code where we report the matters required under ISAs (UK) in respect of directors' statements in relation to going concern, longer-term viability and that part of the Corporate Governance report relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified by the UK Listing Rules for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement, included within the Corporate Governance report is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the annual report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the Company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The directors' explanation as to their assessment of the Company's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the Company was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the Company and its environment obtained in the course of the audit.

Independent auditors' report to the members of Henderson Far East Income Limited
continued

In addition, 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 and our knowledge obtained during the audit:

- The directors' statement that they consider the annual report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the Company's position, performance, business model and strategy;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the annual report describing the work of the Audit Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the Company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the UK Listing Rules for review by the auditor.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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.

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.

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the ongoing qualification as an investment trust company under the Corporation Tax Act 2010, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies (Jersey) Law 1991. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting of inappropriate journal entries to increase income or to overstate the value of investments and increase the net asset value of the Company. Audit procedures performed by the engagement team included:

- discussions with the directors, the investment manager and the administrator including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- evaluation of the controls implemented by the investment manager and the administrator designed to prevent and detect irregularities;
- assessment of the Company's compliance with the requirements of s.1158 of the Corporation Tax Act 2010, including recalculation of numerical aspects of the eligibility conditions;
- identifying and testing journal entries, in particular a sample of journals posted as part of the financial year end close process; and
- designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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 or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: **www.frc.org.uk/auditorsresponsibilities**. This description forms part of our auditor's report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Article 113A of the Companies (Jersey) Law 1991 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies (Jersey) Law 1991 exception reporting

Under the Companies (Jersey) Law 1991 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- proper accounting records have not been kept by the Company, or proper returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Jennifer March
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Recognised Auditor
London
10 November 2025

Statement of Comprehensive Income

Notes		Year ended 31 August 2025 Revenue return £'000	Capital return £'000	Total £'000	Year ended 31 August 2024 Revenue return £'000	Capital return £'000	Total £'000
3	Investment income	40,816	–	40,816	45,927	–	45,927
4	Other income	9,793	–	9,793	6,304	–	6,304
10	Gains/(losses) on investments held at fair value through profit or loss	–	4,838	4,838	–	(3,715)	(3,715)
	Net foreign exchange profit/(loss) excluding foreign exchange gains/(losses) on investments	–	860	860	–	(84)	(84)
	Total income/(loss)	**50,609**	**5,698**	**56,307**	**52,231**	**(3,799)**	**48,432**
	Expenses						
	Management fees	(1,417)	(1,417)	(2,834)	(1,402)	(1,402)	(2,804)
5	Other expenses	(698)	(698)	(1,396)	(569)	(568)	(1,137)
	Profit/(loss) before finance costs and taxation	**48,494**	**3,583**	**52,077**	**50,260**	**(5,769)**	**44,491**
6	Finance costs	(745)	(745)	(1,490)	(926)	(926)	(1,852)
	Profit/(loss) before taxation	**47,749**	**2,838**	**50,587**	**49,334**	**(6,695)**	**42,639**
7	Taxation	(5,069)	(406)	(5,475)	(4,000)	690	(3,310)
	Profit/(loss) for the year and total comprehensive income	**42,680**	**2,432**	**45,112**	**45,334**	**(6,005)**	**39,329**
8	Earnings/(losses) per ordinary share – basic and diluted	24.98p	1.42p	26.40p	27.83p	(3.68p)	24.15p

The total column of this statement represents the Statement of Comprehensive Income, prepared in accordance with IFRS as adopted by the European Union. The revenue return and capital return columns are supplementary to this and are prepared under guidance published by the Association of Investment Companies.

The notes on pages 61-78 form part of these financial statements

Statement of Changes in Equity

Notes		Stated share capital £'000	Distributable reserve £'000	Retained earnings Capital reserves £'000	Retained earnings Revenue reserve £'000	Total £'000
	Total equity at 31 August 2024	272,708	177,596	(114,052)	29,852	366,104
	Total comprehensive income:					
	Profit for the year	–	–	2,432	42,680	45,112
	Transactions with owners, recorded directly to equity:					
9	Dividends paid	–	–	–	(42,701)	(42,701)
14	Shares issued	39,252	–	–	–	39,252
14	Share issue costs	(108)	–	–	–	(108)
	Total equity at 31 August 2025	**311,852**	**177,596**	**(111,620)**	**29,831**	**407,659**

Notes		Stated share capital £'000	Distributable reserve £'000	Retained earnings Capital reserves £'000	Retained earnings Revenue reserve £'000	Total £'000
	Total equity at 31 August 2023	268,038	180,471	(108,047)	21,570	362,032
	Total comprehensive income:					
	(Loss)/profit for the year	–	–	(6,005)	45,334	39,329
	Transactions with owners, recorded directly to equity:					
9	Dividends paid	–	(2,875)	–	(37,052)	(39,927)
14	Buyback of shares for treasury	(1,721)	–	–	–	(1,721)
14	Shares issued	6,436	–	–	–	6,436
14	Share issue costs	(45)	–	–	–	(45)
	Total equity at 31 August 2024	**272,708**	**177,596**	**(114,052)**	**29,852**	**366,104**

The notes on pages 61-78 form part of these financial statements

Balance Sheet

Notes		31 August 2025 £'000	31 August 2024 £'000
	Non current assets		
10	Investments held at fair value through profit or loss	439,575	376,896
	Current assets		
11	Other receivables	2,520	3,427
	Cash and cash equivalents	24,684	5,482
		27,204	**8,909**
	Total assets	**466,779**	**385,805**
	Current liabilities		
10	Investments held at fair value through profit or loss – written options	(6,680)	(988)
7(c)	Deferred taxation	(67)	(203)
12(a)	Other payables	(2,550)	(3,210)
12(b)	Bank loans	(49,591)	(15,300)
		(58,888)	**(19,701)**
	Total assets less current liabilities	**407,891**	**366,104**
	Non-current liabilities		
7(c)	Deferred tax liability on Indian capital gains	(232)	–
		(232)	**–**
	Net assets	**407,659**	**366,104**
	Equity attributable to equity shareholders		
14	Stated share capital	311,852	272,708
15	Distributable reserve	177,596	177,596
	Retained earnings:		
16	Capital reserves	(111,620)	(114,052)
	Revenue reserves	29,831	29,852
	Total equity	**407,659**	**366,104**
17	Net asset value per ordinary share	**223.32p**	**221.97p**

The financial statements on pages 57-78 were approved by the Board of Directors on 10 November 2025 and were signed on its behalf by:

Ronald Gould
Chairman

The notes on pages 61-78 form part of these financial statements

Statement of Cash Flows

Notes		Year ended 31 August 2025 £'000	Year ended 31 August 2024 £'000
	Cash flows from operating activities		
	Profit before taxation	50,587	42,639
	Add back:		
	Finance costs	1,490	1,852
10	(Gains)/losses on investments held at fair value through profit or loss	(4,838)	3,715
	Net foreign exchange (profit)/loss excluding foreign exchange losses on investments	(860)	84
	Withholding tax on investment income	(4,934)	(3,425)
	(Increase)/decrease in prepayments and accrued income	(92)	1,037
	Decrease/(increase) in amounts due from brokers	1,618	(1,618)
	Increase in other payables	1,041	11
	(Decrease)/increase in amounts due to brokers	(1,699)	1,699
	Net cash inflow from operating activities	**42,313**	**45,994**
	Cash flows from investing activities		
10	Sales of investments	492,486	445,964
10	Purchases of investments	(544,635)	(440,302)
7(b)	Overseas capital gains tax on sales	(889)	(34)
	Net cash (outflow)/inflow from investing activities	**(53,038)**	**5,628**
	Cash flow from financing activities		
	Loan drawdown	220,499	92,751
	Loan repayment	(186,156)	(105,429)
9	Equity dividends paid	(42,701)	(39,927)
14	Buyback of shares for treasury	–	(1,721)
14	Share issue proceeds	39,021	6,436
14	Share issue costs	(54)	(45)
	Interest paid	(1,490)	(1,852)
	Net cash inflow/(outflow) from financing activities	**29,119**	**(49,787)**
	Increase in cash and cash equivalents	**18,394**	**1,835**
	Cash and cash equivalents at the start of the year	5,482	3,944
	Exchange movements	808	(297)
	Cash and cash equivalents at the end of the year	**24,684**	**5,482**
	Net debt		
	Cash and cash equivalents	24,684	5,482
	Bank loans and overdraft repayable within one year	(49,591)	(15,300)
	Net debt	**(24,907)**	**(9,818)**

The notes on pages 61-78 form part of these financial statements

Notes to the financial statements

1 General information

The entity is a closed-end company, registered as a no par value company under the Companies (Jersey) Law 1991, with its shares listed on the London and New Zealand stock exchanges. The Company's registered office is IFC1, The Esplanade, St Helier, Jersey, JE1 4BP and its principal place of business is 201 Bishopsgate, London EC2M 3AE.

The Company was incorporated on 6 November 2006.

2 Material accounting policies

a) Basis of preparation

The Company's financial statements for the year ended 31 August 2025 have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ('IFRSs'). These comprise standards and interpretations approved by the International Accounting Standards Board, together with interpretations of the International Accounting Standards and Standing Interpretations Committee approved by the International Accounting Standards Committee that remain in effect, to the extent that IFRS have been adopted by the European Union.

The financial statements have been prepared on a going concern basis and on the historical cost basis, except for the revaluation of financial assets and liabilities designated as held at fair value through profit and loss.

The financial statements are presented in sterling and all values are rounded to the nearest thousand pounds (£'000) except where otherwise indicated.

The principal accounting policies adopted are set out below. Where presentational guidance set out in the Statement of Recommended Practice (the 'SORP') for investment trusts issued by the AIC in July 2022 is consistent with the requirements of IFRS, the directors have sought to prepare the financial statements on a basis consistent with the recommendations of the SORP.

Accounting standards

(i) The following new and amended standards are relevant and applicable to the Company and have been adopted although they have had no material impact on the financial statements:

Amendments to IFRS as adopted by the E.U. Pronouncements issued and effective for current year end:

		Effective for annual periods beginning on or after
IAS 1 Amendments	Classification of Liabilities as Current or Non-Current	1 January 2024
IAS 1 Amendments	Non-current Liabilities with Covenants	1 January 2024

(ii) Relevant new standards, amendments and interpretations issued but not effective for the current financial year and not early adopted by the Company:

		Effective for annual periods beginning on or after
IAS 21 Amendments	Lack of Exchangeability	1 January 2025
Annual Improvements 2023-24	Minor amendments to IFRS 1, 7, 9, 10, and IAS 7	1 January 2026
IFRS 7 and 9 Amendments	Classification and Measurement of Financial Instruments	1 January 2026
IFRS 7 and 9 Amendments	Contracts Referencing Nature-dependent Electricity	1 January 2026
IFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027

b) Going concern

The directors have determined that it is appropriate to prepare the financial statements on a going concern basis and have concluded that the Company has adequate resources to continue in operational existence for at least twelve months from the date of approval of the financial statements. In coming to this conclusion, the directors have considered the nature of the portfolio, being that the securities held are readily realisable, the size and covenants of the Company's bank overdraft and the strength of its distributable reserves. As part of their usual assessment of risks facing the Company, the directors considered the macro-economic and geopolitical environment, as well as the possible impact of climate change risk on the value of the portfolio. The directors have concluded that the Company is able to meet its financial obligations, including the repayment of the loan facility, as they fall due for a period of at least twelve months from the date of this report, being 10 November 2026.

2 Material accounting policies continued

c) Investments held at fair value through profit or loss

All investments are classified upon initial recognition as held at fair value through profit or loss. Financial assets are recognised/de-recognised at the trade date of the purchase/disposal. The fair value of the financial assets is based on their quoted bid price at the Balance Sheet date, without deduction of the estimated future selling costs. The fair value of option contracts is determined by reference to the Black-Scholes model.

A financial asset is derecognised when the contractual rights to the cash flows from the asset expire, or the Company transfers the rights to receive the contractual cash flows in the transaction in which substantially all of the risk and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. Sale proceeds are recognised net of any transaction costs.

Changes in the fair value of investments held at fair value through profit or loss and gains and losses on disposal, including exchange gains and losses, are recognised in the Statement of Comprehensive Income as 'Gains or losses on investments held at fair value through profit or loss'. Also included within 'Gains or losses on investments held at fair value through profit or loss' are transaction costs in relation to the purchase or sale of investments.

d) Presentation of the Statement of Comprehensive Income

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

e) Income

Dividends receivable on equity shares are recognised as revenue for the period on an ex-dividend basis. Special dividends are treated as revenue return or as capital return, depending on the facts of each individual case. Bank interest is accounted for on an accruals basis. Option premium income is recognised upon the trade date of the option contracts.

f) Expenses

All administration expenses, including the management fee and finance costs are accounted for on an accruals basis. On the basis of the Board's expected long term split of returns equally between capital gains and income, the Company charges 50% of operating expenses to capital. Expenses which are incidental to the purchase or sale of an investment are charged to the capital column of the Statement of Comprehensive Income and allocated to capital reserves.

g) Taxation

The tax expense represents a current tax and deferred tax charge.

The current tax charge is based on the taxable profit for the year. Taxable profit differs from net profit as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The liability for current tax is calculated using the effective tax rate of corporation tax for the accounting period.

In line with the recommendations of the SORP, the allocation method used to calculate tax relief on expenses presented against capital returns in the supplementary information in the Statement of Comprehensive Income is the 'marginal basis'. Under this basis, if taxable income is capable of being offset entirely by expenses presented in the revenue return column of the Statement of Comprehensive Income, then no tax relief is transferred to the capital return column.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the statement of financial position liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Investment trusts which have approval as such under s.1158 of the Corporation Tax Act 2010 are not liable for taxation on capital gains.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the Statement of Comprehensive Income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

2 Material accounting policies continued

h) Foreign currency

For the purposes of the financial statements, the results and financial position of the Company is expressed in sterling, which is the functional and presentational currency of the Company. Sterling is the functional currency because it is the currency of the primary economic environment in which the Company operates. The Company is a closed-end investment company, incorporated in Jersey, with its shares listed on the London and New Zealand stock exchanges. Sterling is the currency in which the majority of the costs of the Company are incurred, capital is raised and dividends are paid.

Transactions recorded in overseas currencies during the year are translated into sterling at the appropriate daily exchange rates. Monetary assets and liabilities denominated in overseas currencies at the Balance Sheet date are translated into sterling at the exchange rates ruling at that date. Exchange gains and losses on investments held at fair value through profit or loss are included in 'Gains or losses on investments held at fair value through profit or loss'. Exchange gains and losses on other balances are disclosed separately in the Statement of Comprehensive Income.

i) Cash and cash equivalents

Cash comprises current accounts and demand deposits excluding bank loans. Cash equivalents have a term of three months or less, are highly liquid investments that are readily convertible to known amounts of cash and are subject to insignificant risks of changes in value.

j) Bank loans

Interest-bearing bank loans are recorded as the proceeds are received net of direct issue costs, which approximates fair value. Loans are subsequently carried at amortised cost. The Company de-recognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

k) Amounts due to/from brokers

Amounts due to or from brokers are accounted for at the value of the outstanding trades at the year end.

l) Segmental reporting

Under IFRS 8, operating segments are considered to be the components of an entity, about which separate financial information is available, that is evaluated regularly by the chief operating decision-maker ('CODM') being the investment manager with oversight from the Board in deciding how to allocate resources and in assessing performance. The financial information reported to the CODM is based on IFRS. Therefore no reconciliation between the financial statements and operating segment financial information has been presented. The directors meet regularly to consider investment strategy and to monitor the Company's performance. The Fund Manager attends all Board meetings at which investment strategy and performance are discussed. The directors consider that the Company is organised as one operating segment which invests in equity securities, debt instruments and related derivatives. All of the Company's activities are interrelated and each activity is dependent on the others.

The business is not managed on a geographical basis, however, for the convenience of investors, disclosure by geographical segment has been provided in page 3. Further analyses of expenses, investment gains or losses, profit and other assets and liabilities by country have not been given as either it is not possible to prepare such information in a meaningful way or the results are not considered to be significant.

In the year, the Company has invested in a single investment, Brilliance China Automotive, which has generated income of 19% (2024: 39%) of the total revenue.

m) Share issue costs

Issue costs incurred in respect of new ordinary shares issued are offset against the proceeds received and dealt with in stated share capital.

n) Dividends payable to shareholders

Interim dividends payable to shareholders are recognised in the financial statements when they are paid. Dividends are recorded in the Statement of Changes in Equity. Dividends can be paid from the distributable reserve, the capital reserve arising on revaluation of investments and the revenue reserve.

2 Material accounting policies continued

o) Capital and reserves

Capital reserve

The following are accounted for in this reserve:
– gains and losses on the disposals of investments;
– expenses and finance costs allocated to capital;
– realised and unrealised foreign exchange differences of a capital nature; and
– increases and decreases in the valuation of investments held at the year end.

Revenue reserve

The revenue reserve represents accumulated revenue profits retained by the Company that have not currently been distributed to shareholders as dividends allocated to this reserve.

Distributable reserve

The distributable reserve represents the net proceeds from the issue of 77,622,619 shares in the Company on 15 December 2006 and was established following the confirmation by the Royal Court of Jersey of the reduction of the Company's Capital account on 23 January 2007. The distributable reserve was reduced in 2024 due to the payment of a dividend. Further detail is set out in note 15.

Stated share capital

The stated share capital represents the net proceeds from the issue of ordinary shares less the cost of share buy backs.

p) Significant accounting judgements and estimates

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the amounts recognised in the financial statements; however, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future. As the majority of the Company's financial assets are quoted securities, in the opinion of the directors, the amounts included as assets and liabilities in the financial statements are not subject to significant judgements, estimates or assumptions except as indicated below. In respect of special dividends, the accounting treatment as a revenue or capital return is assessed depending on the facts of each individual case.

q) Additional estimate disclosures

The obligations relating to the options valued at £6,680,000 (2024: £988,000) are valued by reference to the Black-Scholes model. The position in China Forestry was written down to zero value (cost: £5,507,000) following a missed coupon payment, delayed publication of annual report and accounts and resignation of Chief Financial Officer and Company Secretary in June 2014 and, in the Board's opinion, it is still appropriate to value this investment at nil at 31 August 2025 (2024: same).

3 Investment income

	2025 £'000	2024 £'000
Overseas investment income	40,816	45,927
	40,816	**45,927**
Analysis of investment income by geography:		
Australia	3,461	2,620
China	15,306	23,094
Hong Kong	3,752	4,792
India	1,047	2,501
Indonesia	4,491	3,219
Japan	126	54
New Zealand	–	435
Philippines	35	–
Singapore	1,599	1,627
South Korea	4,508	5,041
Taiwan	5,646	2,026
Thailand	788	244
Vietnam	57	274
	40,816	**45,927**

All of the above income is derived from equity related investments.

Notes to the financial statements continued

4 Other income

	2025 £'000	2024 £'000
Bank and other interest	210	160
Option premium income	9,583	6,144
	9,793	**6,304**

5 Other expenses

	2025 Revenue return £'000	2025 Capital return £'000	2025 Total return £'000	2024 Revenue return £'000	2024 Capital return £'000	2024 Total return £'000
Directors' fees (see the Directors' Remuneration report on page 46)	109	108	217	98	98	196
Auditors' remuneration – statutory audit	31	31	62	30	30	60
Bank and custody charges	138	137	275	133	134	267
Loan arrangement and non-utilisation fees	90	90	180	48	48	96
Marketing fees[1]	134	135	269	94	95	189
Registrar's fees	30	30	60	26	25	51
Depositary fees	10	11	21	10	10	20
Printing and stationery	11	11	22	11	10	21
Broker fees	8	7	15	4	4	8
AIC subscriptions	11	11	22	11	10	21
Stock Exchange fees	32	33	65	26	26	52
Other expenses	94	94	188	78	78	156
	698	**698**	**1,396**	**569**	**568**	**1,137**

1 Payable to Janus Henderson Investors

6 Finance costs

	2025 Revenue return £'000	2025 Capital return £'000	2025 Total return £'000	2024 Revenue return £'000	2024 Capital return £'000	2024 Total return £'000
Bank loans	745	745	1,490	926	926	1,852

7 Taxation

a) Analysis of the charge/(credit) for the year

	2025 Revenue return £'000	2025 Capital return £'000	2025 Total return £'000	2024 Revenue return £'000	2024 Capital return £'000	2024 Total return £'000
Corporation tax	1,365	–	1,365	546	–	546
Double tax relief	(56)	–	(56)	(46)	–	(46)
Tax relief from capital	715	(715)	–	724	(724)	–
Overseas tax	3,181	–	3,181	2,722	–	2,722
Indian capital gains tax on sales	–	889	889	–	34	34
Total current tax charge/(credit) for the year	**5,205**	**174**	**5,379**	**3,946**	**(690)**	**3,256**
Deferred tax	(136)	–	(136)	54	–	54
Movement in deferred tax charge on Indian capital gains	–	232	232	–	–	–
Total deferred tax (credit)/charge for the year (see note 7c)	**(136)**	**232**	**96**	**54**	**–**	**54**
Total tax charge/(credit) for the year (see note 7b)	**5,069**	**406**	**5,475**	**4,000**	**(690)**	**3,310**

The Company is liable to Indian capital gains tax under Section 115 AD of the Indian Income Tax Act 1961. Accordingly, when investments are realised at a value above cost and investments are held at fair value above cost, a tax charge will result.

7 Taxation continued

b) Factors affecting the tax charge/(credit) for the year

The UK corporation tax rate is 25% (2024: 25%). The tax charge/(credit) for the year is different from the corporation tax rate.

The differences are explained below:

	2025 Revenue return £'000	2025 Capital return £'000	2025 Total return £'000	2024 Revenue return £'000	2024 Capital return £'000	2024 Total return £'000
Profit/(loss) before taxation	47,749	2,838	50,587	49,334	(6,695)	42,639
Corporation tax at 25% (2024: 25%)	11,937	710	12,647	12,334	(1,674)	10,660
Effects of:						
Non-taxable gains less losses on investments held at fair value through profit or loss	–	(1,210)	(1,210)	–	929	929
Non-taxable overseas dividends	(9,843)	–	(9,843)	(10,839)	–	(10,839)
Currency (gains)/losses	–	(215)	(215)	–	21	21
Overseas tax	3,181	–	3,181	2,722	–	2,722
UK dividends	(162)	–	(162)	(192)	–	(192)
Excess management expenses	(578)	715	137	(759)	724	(35)
Indian capital gains tax charged on sales	–	889	889	–	34	34
Movement in deferred tax charge on Indian capital gains	–	232	232	–	–	–
Expenses not deductible for tax purposes	11	–	11	2	–	2
Tax relief from capital	715	(715)	–	724	(724)	–
Double tax relief	(56)	–	(56)	(27)	–	(27)
Effect of income taxable in different periods	(136)	–	(136)	35	–	35
Total tax charge/(credit) for the year (see note 7a)	**5,069**	**406**	**5,475**	**4,000**	**(690)**	**3,310**

c) Deferred taxation

	2025 Revenue return £'000	2025 Capital return £'000	2025 Total return £'000	2024 Revenue return £'000	2024 Capital return £'000	2024 Total return £'000
Provision at start of the year	203	–	203	149	–	149
Deferred tax (credit)/charge for the year	(136)	–	(136)	54	–	54
Deferred tax charge on Indian capital gains	–	232	232	–	–	–
Provision at end of the year	**67**	**232**	**299**	**203**	**–**	**203**

d) Provision for deferred taxation

As at 31 August 2025, the Company has recognised a deferred tax liability of £67,000 (2024: £203,000) due to timing differences of taxable accrued income. It has been calculated using the standard rate of corporation tax applicable by 25% (2024: 25%).

The Company has also recognised a deferred tax liability of £232,000 (2024: £nil) on capital gains which may arise if investments in India are sold. Indian capital gains tax is charged at 12.5% on long-term holdings and 20% on short-term holdings.

Notes to the financial statements continued

8 Earnings per ordinary share

The earnings per ordinary share figure is based on the net profit for the year of £45,112,000 (2024: £39,329,000) and on the weighted average number of ordinary shares in issue during the year of 170,875,254 (2024: 162,877,255).

The earnings per ordinary share figure can be further analysed between revenue and capital, as below:

	2025 £'000	2024 £'000
Revenue profit attributable to ordinary shares	42,680	45,334
Capital gain/(loss) attributable to ordinary shares	2,432	(6,005)
Profit attributable to ordinary shares	**45,112**	**39,329**
Weighted average number of ordinary shares in issue during the year	170,875,254	162,877,255

	2025 Pence	2024 Pence
Revenue earnings per ordinary share	24.98	27.83
Capital gains/(losses) per ordinary share	1.42	(3.68)
Total earnings per ordinary share	**26.40**	**24.15**

The Company has no securities in issue that could dilute the return per ordinary share. Therefore the basic and diluted earnings per ordinary share are the same.

9 Dividends

			2025		2024	
Dividends	**Record Date**	**Pay Date**	**Revenue reserve £'000**	**Distributable reserve £'000**	**Revenue reserve £'000**	**Distributable reserve £'000**
Fourth interim dividend 6.10p for the year ended 2023	27 October 2023	24 November 2023	–	–	7,067	2,875
First interim dividend 6.10p for the year ended 2024	26 January 2024	23 February 2024	–	–	9,924	–
Second interim dividend 6.10p for the year ended 2024	26 April 2024	31 May 2024	–	–	9,893	–
Third interim dividend 6.20p for the year ended 2024	26 July 2024	30 August 2024	–	–	10,168	–
Fourth interim dividend 6.20p for the year ended 2024	25 October 2024	29 November 2024	10,255	–	–	–
First interim dividend 6.20p for the year ended 2025	31 January 2025	28 February 2025	10,401	–	–	–
Second interim dividend 6.20p for the year ended 2025	2 May 2025	30 May 2025	10,714	–	–	–
Third interim dividend 6.25p for the year ended 2025	25 July 2025	29 August 2025	11,331	–	–	–
			42,701	**–**	**37,052**	**2,875**

9 Dividends continued

The total dividends payable in respect of the financial year which form the basis of s.1158 of the Corporation Tax Act 2010 are set out below:

	2025 £'000	2024 £'000
Revenue available for distribution by way of dividend for the year	42,680	45,334
First interim dividend of 6.20p (2024: 6.10p) paid 28 February 2025 (23 February 2024)	(10,401)	(9,924)
Second interim dividend of 6.20p (2024: 6.10p) paid 30 May 2025 (31 May 2024)	(10,714)	(9,893)
Third interim dividend of 6.25p (2024: 6.20p) paid 29 August 2025 (30 August 2024)	(11,331)	(10,168)
Fourth interim dividend for the year ended 31 August 2025 of 6.25p (2024: 6.20p) (based on 188,414,679 shares in issue at 31 October 2025) (2024: 165,402,179)	(11,776)	(10,255)
(Transfer from reserves)/undistributed revenue for s.1158 purposes	**(1,542)**	**5,094**

10 Investments held at fair value through profit or loss

	2025 £'000	2024 £'000
Cost at beginning of year	358,851	400,901
Investment holding gain/(loss) at the beginning of the year	17,057	(15,616)
Valuation of investments and options written at the beginning of the year	**375,908**	**385,285**
Movements in the year:		
Purchases at cost	544,635	440,302
Sales – proceeds	(492,486)	(445,964)
– realised losses on sales	(5,618)	(36,388)
Increase in investment holdings gains	10,456	32,673
Closing value of investments and options written at the end of the year	**432,895**	**375,908**
Cost at the end of the year	405,382	358,851
Investment holding gain	27,513	17,057
Closing value of investments and options written at the end of the year	**432,895**	**375,908**

Total investments:

	2025 £'000	2024 £'000
Investments held at fair value through profit or loss	439,575	376,896
Written options	(6,680)	(988)
	432,895	**375,908**

The Company received £492,486,000 (2024: £445,964,000) from investments sold in the year. The book cost of these investments when they were purchased was £498,104,000 (2024: £482,352,000). 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.

There is one unquoted investment, China Forestry, which was written down to zero value in 2014.

Notes to the financial statements continued

10 Investments held at fair value through profit or loss continued

	2025 £'000	2024 £'000
Gains/(losses) on investments held at fair value		
Realised losses on sales of investments	(5,618)	(36,388)
Increase in investment holdings gains	10,456	32,673
	4,838	**(3,715)**

Transaction costs

During the year expenses were incurred in acquiring or disposing of investments classified as fair value through profit or loss. These have been expensed through capital reserve and are included within gains/(losses) on investments held at fair value through profit or loss in the Statement of Comprehensive Income.

	2025 £'000	2024 £'000
Purchases	640	577
Sales	748	737
	1,388	**1,314**

11 Other receivables

	2025 £'000	2024 £'000
Withholding tax recoverable	913	469
Corporation tax recoverable	–	57
Prepayments and accrued income	1,376	1,283
Amounts due from brokers	–	1,618
Share issue proceeds	231	–
	2,520	**3,427**

12 Current liabilities

	2025 £'000	2024 £'000
a) Other payables		
Corporation tax payable	340	–
Other payables	2,210	3,210
	2,550	**3,210**

	2025 £'000	2024 £'000
b) Bank loans (unsecured)	**49,591**	**15,300**

The interest rates applicable to the loans is at a margin over SONIA, or its relevant currency equivalent, with the margin being 1% (2024: 1%) per annum. Further detail on the bank loan is provided in note 13.2.

The loan agreement with RBSi (2024: SMBC) provides that net asset value will not be less than £150,000,000 throughout the year and consolidated gross borrowings will not exceed 30%. The Company may not deliver a Utilisation Request if, as a result of the proposed utilisation, more than 15 loans would be outstanding. The conditions of the loan agreement were met throughout the year.

Non-current liabilities

	2025 £'000	2024 £'000
c) Deferred tax liability on Indian capital gains	232	–
	232	**–**

13 Risk management policies and procedures

As an investment company, the Company invests in equities and other investments for the medium to long term so as to secure its investment objectives as stated in the Strategic report. In pursuing its investment objective, the Company is exposed to a variety of financial risks that could result in either a reduction in the Company's net assets or a reduction in the profits available for distribution by way of dividends.

These financial risks, market risk (comprising market price risk, currency risk and interest rate risk), liquidity risk and credit risk, and the directors' approach to the management of these risks, are set out below.

The Board and the investment manager co-ordinates the Company's risk management and there are various risk management systems in place.

The Board determines the objectives, policies and processes for managing the risks, and these are set out in the following pages under the relevant risk category. The policies for the management of risk have not changed from the previous accounting period.

13.1 Market risk

The fair value of a financial instrument held by the Company may fluctuate due to changes in market prices. Market risk comprises market price risk (see note 13.1.1), currency risk (see note 13.1.2) and interest rate risk (see note 13.1.3). The investment 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.

13.1.1 Market price risk

Market price risks (i.e. changes in market prices other than those arising from interest rate risk or currency risk) may affect the fair value of the quoted investments.

Management of the risk

When appropriate, the Company may buy or sell put or call options on indices and on equity investments in its portfolio to manage its exposure to price risk or to generate income. The Board manages the risks inherent in the investment portfolio by full and timely review of relevant information from the investment manager. Investment performance is reviewed at each Board meeting. The Board monitors the investment manager's compliance with the Company's investment limits and restrictions.

The Company's exposure to changes in market prices at 31 August 2025 on its investments amounted to £439,575,000 (2024: £376,896,000) and £6,680,000 (2024: £988,000) in respect of liabilities on option derivatives.

Concentration of exposure to market price risks

A geographical analysis of the Company's investment portfolio is shown on page 2. It is recognised that an investment's country of domicile or of listing does not necessarily equate to its exposure to the economic conditions in that country.

Market price risk sensitivity

The following table illustrates the sensitivity of the return after taxation for the year and total equity at the year end to an increase or decrease of 10% (2024: 10%) in the fair values of the Company's investments. This level of change is considered to be possible based on observation of current market conditions. The sensitivity analysis is based on the Company's equities at each Balance Sheet date, with all other variables held constant.

	2025		2024	
	Increase in fair value £'000	Decrease in fair value £'000	Increase in fair value £'000	Decrease in fair value £'000
Statement of Comprehensive Income – profit/(loss) after tax				
Revenue return	(162)	162	(141)	141
Capital return	43,128	(43,128)	37,450	(37,450)
Impact on total return after tax for the year and shareholders' funds	**42,966**	**(42,966)**	**37,309**	**(37,309)**

13 Risk management policies and procedures continued

13.1.2 Currency risk

The majority of the Company's assets, liabilities and income are denominated in currencies other than sterling (the Company's functional and presentational currency). As a result, movements in exchange rates may affect the sterling value of those items.

Management of the risk

The investment manager monitors the Company's exposure to foreign currencies on a daily basis and reports to the Board at each Board meeting. The investment manager measures the risk to the Company of the foreign currency exposure by considering the effect on the Company's net asset value and total return of a movement in the exchange rate to which the Company's assets, liabilities, income and expenses are exposed.

Investment income denominated in foreign currencies is usually converted into US dollars or sterling on receipt. The Company does not use financial instruments to mitigate the currency exposure in the period between the time that income is included in the financial statements and its receipt.

Foreign currency exposure

The fair values of the Company's monetary items that have foreign currency exposure as at 31 August 2025 and 2024 are shown below. Where the Company's equity investments which are not monetary items are denominated in a foreign currency, they have been included separately in the analysis so as to show the overall level of exposure. Exposure to other currencies in the table below includes the Indonesian rupiah, Japanese yen, Thailand bhat and Philippine peso (2024: Indonesian rupiah).

2025	AUS$ £'000	TW$ £'000	KRW £'000	CNY £'000	HK$ £'000	S$ £'000	US$ £'000	INR £'000	Other £'000
Receivables (due from brokers, dividends and other income receivable)	212	624	67	–	911	–	140	238	–
Payables (due to brokers, accruals and other creditors)	–	–	–	–	–	–	(266)	–	–
Cash and cash equivalents	87	–	302	–	–	482	–	464	–
Bank loans	–	–	–	–	–	–	(49,591)	–	–
Total foreign currency exposure on net monetary items	**299**	**624**	**369**	**–**	**911**	**482**	**(49,717)**	**702**	**–**
Investments at fair value through profit or loss	39,031	73,959	54,644	10,319	163,601	31,173	6,903	19,269	33,996
Total net foreign currency exposures	**39,330**	**74,583**	**55,013**	**10,319**	**164,512**	**31,655**	**(42,814)**	**19,971**	**33,996**

2024	AUS$ £'000	TW$ £'000	KRW £'000	CNY £'000	HK$ £'000	S$ £'000	US$ £'000	INR £'000	Other £'000
Receivables (due from brokers, dividends and other income receivable)	138	75	1,618	–	749	–	95	608	–
Cash and cash equivalents	–	–	–	–	–	–	–	269	–
Payables (due to brokers, accruals and other creditors)	–	–	–	–	(1,699)	–	(23)	–	–
Bank loans	–	–	–	–	–	–	(15,300)	–	–
Total foreign currency exposure on net monetary items	**138**	**75**	**1,618**	**–**	**(950)**	**–**	**(15,228)**	**877**	**–**
Investments at fair value through profit or loss	52,862	36,199	56,866	15,938	91,746	19,627	27,645	49,190	21,128
Total net foreign currency exposures	**53,000**	**36,274**	**58,484**	**15,938**	**90,796**	**19,627**	**12,417**	**50,067**	**21,128**

The above amounts are not necessarily representative of the exposure to risk during the year as levels of monetary foreign currency exposure may have changed significantly throughout the year.

13 Risk management policies and procedures continued

13.1.2 Currency risk continued

Foreign currency sensitivity

The following table illustrates the sensitivity of the profit/(loss) return after tax for the year and the net assets in regard to movements in the Company's foreign currency financial assets, financial liabilities and income caused by changes in the exchange rates (+/-10%) for sterling against each currency set out in the table below.

These percentages are deemed reasonable based on the average market volatility in exchange rates in recent years. The sensitivity analysis is based on the Company's financial assets and financial liabilities held at each Balance Sheet date. Whilst some exchange rates may have been more volatile in the twelve months prior to the Balance Sheet date, a 10% movement is deemed reasonable based on longer term volatility and market conditions at the Balance Sheet date. Higher sensitivity levels for each currency can be extrapolated from the 10% level that is shown in the table below.

If sterling had depreciated against the currencies shown, the impact on total return and net assets would have been as follows:

2025	AUS$ £'000	TW$ £'000	KRW £'000	CNY £'000	HK$ £'000	S$ £'000	US$ £'000	INR £'000	Other £'000
Statement of Comprehensive Income –									
Revenue return	268	580	466	352	1,579	164	186	114	587
Capital return	4,319	8,185	6,047	1,141	18,103	3,450	763	2,132	3,760
Total return after tax for the year	**4,587**	**8,765**	**6,513**	**1,493**	**19,682**	**3,614**	**949**	**2,246**	**4,347**

2024	AUS$ £'000	TW$ £'000	KRW £'000	CNY £'000	HK$ £'000	S$ £'000	US$ £'000	INR £'000	Other £'000
Statement of Comprehensive Income –									
Revenue return	196	221	508	299	2,647	196	294	242	162
Capital return	5,851	4,006	6,292	1,763	10,145	2,172	3,059	5,444	2,338
Total return after tax for the year	**6,047**	**4,227**	**6,800**	**2,062**	**12,792**	**2,368**	**3,353**	**5,686**	**2,500**

If sterling had appreciated against the currencies shown, the impact on total return and net assets would have been as follows:

2025	AUS$ £'000	TW$ £'000	KRW £'000	CNY £'000	HK$ £'000	S$ £'000	US$ £'000	INR £'000	Other £'000
Statement of Comprehensive Income –									
Revenue return	(220)	(474)	(382)	(288)	(1,292)	(134)	(152)	(94)	(480)
Capital return	(3,534)	(6,697)	(4,948)	(933)	(14,812)	(2,823)	(625)	(1,745)	(3,076)
Total return after tax for the year	**(3,754)**	**(7,171)**	**(5,330)**	**(1,221)**	**(16,104)**	**(2,957)**	**(777)**	**(1,839)**	**(3,556)**

2024	AUS$ £'000	TW$ £'000	KRW £'000	CNY £'000	HK$ £'000	S$ £'000	US$ £'000	INR £'000	Other £'000
Statement of Comprehensive Income –									
Revenue return	(160)	(181)	(416)	(244)	(2,166)	(160)	(240)	(198)	(642)
Capital return	(4,787)	(3,278)	(5,149)	(1,442)	(8,301)	(1,776)	(2,502)	(4,454)	(1,911)
Total return after tax for the year	**(4,947)**	**(3,459)**	**(5,565)**	**(1,686)**	**(10,467)**	**(1,936)**	**(2,742)**	**(4,652)**	**(2,553)**

13.1.3 Interest rate risk

Interest rate movements may affect the level of interest receivable from cash at bank and on deposit, and the interest payable on the Company's short term borrowings.

Management of the risk

The majority of the Company's financial assets are non-interest bearing. As a result, the Company's financial assets are not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

The possible effects on fair value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment decisions.

The Company finances part of its activities through borrowings at levels approved and monitored by the Board.

Derivative contracts are not used to hedge against the exposure to interest rate risk.

13 Risk management policies and procedures continued

13.1.3 Interest rate risk continued

Interest rate exposure

The exposure at 31 August 2025 of financial assets can be found on the Balance Sheet under the heading 'Cash and cash equivalents' and the financial liabilities exposure to interest rate risk to floating interest rates is shown under note 12(b).

The Company does not have any fixed interest rate exposure.

Interest received on cash balances, or paid on bank loans, is at a margin over SONIA or its foreign currency equivalent (2024: same).

The year end amounts are not representative of the exposure to interest rates during the year, as the level of exposure changes as investments are made, borrowings are drawn down and repaid, and the mix of borrowings subject to floating or to fixed interest rates changes.

Interest rate sensitivity

Based on the Company's financial instruments at each Balance Sheet date, an increase or decrease of 100 basis points in interest rates would decrease or increase revenue return after tax by £3,000 (2024: £22,000), capital return after tax by £248,000 (2024: £76,000), total profit after tax and shareholders' funds £251,000 (2024: £98,000).

This level of change is considered to be reasonably possible based on observation of current market conditions. This is not representative of the year as a whole, since the exposure changes as investments are made. In the context of the Company's Balance Sheet, the outcome is not considered to be material.

13.2 Liquidity risk

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

Management of the risk

Liquidity risk is monitored by the investment manager on a daily basis to ensure that financial liabilities can be paid as they fall due. The majority of the Company's assets are investments in quoted securities that are readily realisable. The Company has an overdraft facility with the custodian the extent of which is determined by the custodian on a regular basis by reference to the value of the securities held by it on behalf of the Company. The overdraft facility was not drawn down at 31 August 2025.

The Company has a 24 month multi-currency loan facility of £50 million with RBSi (2024: £50 million facility with SMBC) of which £49,591,000 (2024: £15,300,000) was drawn down at the year end. This facility is under regular review and unless renewed will expire on 20 August 2027.

The Board gives guidance to the investment manager as to the maximum amount of the Company's resources that should be invested in any one investment. The policy is that the Company should generally remain fully invested and that short term borrowings be used to manage short term cash requirements and also to take advantage of specific investment opportunities.

Liquidity risk exposure

The remaining contractual maturities of the financial liabilities at 31 August 2025 and 31 August 2024, based on the earliest date on which payment could be required was as follows:

	2025		2024	
	Due within 3 months £'000	Due between 3 months and one year £'000	Due within 3 months £'000	Due between 3 months and one year £'000
Bank loans[1]	49,925	–	15,324	–
Written options[2]	9,293	–	86	–
Amount to brokers and accruals	2,550	–	3,210	–
	61,768	**–**	**18,620**	**–**

1 Includes interest on loans payable to maturity date

2 Calculated as the contractual maturity value of the options

None of the items in the above table have been discounted due to the short term nature and immateriality of any such discount.

13 Risk management policies and procedures continued

13.3 Credit risk

The failure of the counterparty to a transaction to discharge its obligations under that transaction could result in the Company suffering a loss.

Management of the risk

Credit risk is managed as follows:

- transactions involving derivatives are entered into only with investment banks, the credit rating of which is taken into account so as to minimise the risk to the Company of default;
- investment transactions are carried out with a large number of approved brokers, whose credit-standard is reviewed periodically by the investment manager, and limits are set on the amount that may be due from any one broker; and
- cash at banks is held only with reputable banks with high quality external credit ratings and which are reviewed regularly by the investment manager's Credit Risk Committee.

There was £6,627,000 of cash in collateral accounts at 31 August 2025 (2024: £1,110,000). None of the other financial assets or liabilities of the Company are secured by collateral or other credit enhancements.

The Company has not been materially exposed to credit risk throughout the year. In summary, the exposure to credit risk at 31 August 2025 was to cash and cash equivalents of £24,684,000 (2024: £5,482,000) and to other receivables of £2,491,000 (2024: £3,404,000).

The Company is also exposed to credit risk through the use of banks for its cash position. Bankruptcy or insolvency of banks may cause the Company's rights with respect to cash held by banks to be delayed or limited. The majority of the Company's cash balances are held by the custodian. The directors believe this counterparty to be of high quality therefore the Company has minimal exposure to credit risk.

The Company has an ongoing contract with the custodian for the provision of custody services. Details of securities held in custody on behalf of the Company are received and reconciled monthly. The custodian has regulatory responsibilities relating to segregation and safe keeping of the Company's financial assets, amongst other duties. The Board has direct access to the custodian and depositary and receives regular reports from them via the investment manager.

None of the Company's financial assets are past due and the expected credit loss within IFRS 9 for calculating impairment on such balances has not had a material impact on the Company.

13.4 Fair values of financial assets and financial liabilities

Financial assets and financial liabilities, are either carried in the Balance Sheet at their fair value (investments and derivatives) or the Balance Sheet amount is a reasonable approximation of fair value (due from brokers, dividends and tax receivable, due to brokers, accruals, cash at bank and bank loans).

13.5 Fair value hierarchy disclosures

The table below sets out fair value measurements using the IFRS 13 fair value hierarchy.

Financial assets and liabilities at fair value through profit or loss at 31 August 2025	Level 1 £'000	Level 2 £'000	Level 3[1] £'000	Total £'000
Equity investments	439,575	–	–	439,575
OTC derivatives (options)	–	(6,680)	–	(6,680)
	439,575	**(6,680)**	**–**	**432,895**

Financial assets and liabilities at fair value through profit or loss at 31 August 2024	Level 1 £'000	Level 2 £'000	Level 3[1] £'000	Total £'000
Equity investments	376,868	–	–	376,868
Equity investments – rights	–	28	–	28
OTC derivatives (options)	–	(988)	–	(988)
	376,868	**(960)**	**–**	**375,908**

1 Level 3 investments related to one holding of China Forestry, transferred into level 3 in 2012, written to zero market value during 2014 following a missed coupon payment, delayed publication of annual report and accounts and resignation of Chief Financial Officer and Company Secretary. This investment has continued to be held at zero value throughout 2024 and 2025

13 Risk management policies and procedures continued

13.5 Fair value hierarchy disclosures continued

The table below sets out the OTC derivatives that were unsettled as at 31 August 2025.

Description of open position	Nominal amount	Currency	Strike Price (Currency)
ANTA Sports Put Option (Expiry 29/09/25)	600,000	HK$	91.8
Alibaba Call Option (Expiry 14/11/25)	300,000	HK$	142.0
Alibaba Call Option (Expiry 22/10/25)	250,000	HK$	134.0
Brilliance China Automotive Call Option (Expiry 18/09/25)	10,000,000	HK$	3.3
China Hongqiao Call Option (Expiry 10/09/25)	4,000,000	HK$	16.6
China Hongqiao Call Option (Expiry 22/10/25)	2,811,000	HK$	23.6
China Resources Land Call Option (Expiry 17/09/25)	2,000,000	HK$	31.2
DB Insurance Call Option (Expiry 10/09/25)	60,000	KRW	118.0
FinVolution Group Put Option (Expiry 02/10/25)	600,000	US$	8.5
Lenovo Call Option (Expiry 07/11/25)	5,500,000	HK$	12.7
MediaTek Put Option (Expiry 14/10/25)	98,000	TW$	129.0
New China Life Call Option (Expiry 14/10/25)	1,200,000	HK$	48.2
New China Life Call Option (Expiry 30/10/25)	800,000	HK$	58.0
Resona Holdings Call Option (Expiry 10/09/25)	478,200	JPY	143.0
Samsung Fire & Marine Call Option (Expiry 07/11/25)	13,000	KRW	478.0
SK Hynix Call Option (Expiry 15/09/25)	20,000	KRW	271.0
SK Hynix Call Option (Expiry 14/11/25)	25,000	KRW	314.0
SK Square Call Option (Expiry 12/09/25)	33,816	KRW	168.0
SK Square Call Option (Expiry 07/11/25)	50,000	KRW	153.0

The table below sets out the OTC derivatives that were unsettled as at 31 August 2024.

Description of open position	Nominal amount	Currency	Strike Price (Currency)
ASE Technology Call Option (Expiry 15/10/24)	840,000	TW$	192.6
ASE Technology Call Option (Expiry 31/10/24)	500,000	TW$	162.3
China Resources Land Call Option (Expiry 12/09/24)	1,200,000	HK$	28.9
Hon Hai Precision Call Option (Expiry 06/11/24)	530,000	TW$	192.6
MediaTek Call Option (Expiry 06/11/24)	90,000	TW$	1,228.4
MediaTek Call Option (Expiry 11/09/24)	93,000	TW$	1,391.5
MediaTek Call Option (Expiry 31/10/24)	150,000	TW$	1,306.1
Meituan Call Option (Expiry 22/10/24)	250,000	CNY	137.9
NetEase Call Option (Expiry 19/09/24)	205,800	HK$	159.2
Samsung Fire & Marine Call Option (Expiry 02/09/24)	10,500	KRW	370,569.6
Sea Put Option (Expiry 14/11/24)	35,000	S$	69.8
Taiwan Semiconductor Manufacturing Call Option (Expiry 06/11/24)	20,000	TW$	175.4
Taiwan Semiconductor Manufacturing Call Option (Expiry 24/10/24)	22,000	TW$	183.9

The Company recognises transfers between levels of the fair value hierarchy at the half year and year end reporting period during which the change has occurred.

There have been no transfers between levels of the fair value hierarchy during the year ended 31 August 2025 and year ended 31 August 2024.

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 as follows:

Level 1 – inputs are quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 – inputs other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. The Company's holdings in over-the-counter options are included within Level 2.

Level 3 – inputs are unobservable inputs for the asset or liability. The valuation techniques used by the Company are explained in the accounting policies note on page 62.

13 Risk management policies and procedures continued

13.6 Capital management policies and procedures

The Company's capital management objectives are:

- to ensure that it will be able to continue as a going concern; and
- to maximise the income and capital return to its equity shareholders through an appropriate balance of equity capital and debt.

The portfolio includes one unquoted investment, which was written down to zero fair value in 2014. The Company writes over-the-counter options resulting in a liability of £6,680,000 (2024: £988,000).

The Company's capital at 31 August 2025 comprises its equity share capital, reserves and bank debt that are shown in the Balance Sheet as a total of £457,250,000 (2024: £381,404,000).

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

- the desirability of buying back shares for cancellation, which takes account of the difference between the net asset value per share and the share price (i.e. the level of share price discount or premium);
- the opportunity for new issues of shares;
- the extent to which revenue should be retained; and
- the level of gearing.

The Company is subject to additional externally imposed capital requirements:

- under a multi-currency loan facility the total net asset value should not be less than £150m and consolidated gross borrowings should not exceed 30%; the Company may not deliver a Utilisation Request if, as a result of the proposed utilisation, more that fifteen loans would be outstanding; and
- as a public company, the Company should have a minimum share capital of £50,000.

These requirements are materially unchanged since last year and were readily met by the Company throughout the year.

14 Stated share capital

		2025		2024	
	Authorised	**Number of shares issued and fully paid**	**£'000**	**Number of shares issued and fully paid**	**£'000**
Opening balance at 1 September					
Ordinary shares of no par value	Unlimited	164,937,179	272,708	162,988,564	268,038
Buyback of shares for treasury		–	–	(806,385)	(1,721)
Issued during the year		17,607,500	39,252	2,755,000	6,436
Share issue costs		–	(108)	–	(45)
Closing balance at 31 August		**182,544,679**	**311,852**	**164,937,179**	**272,708**

The holders of ordinary shares are entitled to all the capital growth in the Company and all the income from the Company that is resolved by the directors to be distributed. Each shareholder present at a general meeting has one vote on a show of hands and on a poll every member present in person or by proxy has one vote for each share held. The Company has no significant or controlling shareholders.

During the year, the Company issued 17,607,500 (2024: 2,755,000) shares for the proceeds of £39,144,000 (2024: £6,391,000) net of costs. There were no shares repurchased for treasury in the year (2024: 806,385 shares repurchased) at a cost of £nil (2024: £1,721,000).

Notes to the financial statements continued

15 Distributable reserve

	2025 £'000	2024 £'000
Start of the year	177,596	180,471
Distribution in prior year	–	(2,875)
At 31 August	**177,596**	**177,596**

Due to a shortfall in revenue for the fourth interim dividend 2023, the directors agreed to support this by a 50/50 split between revenue reserve and distributable reserve. As a result the reserve has reduced by £2,875,000. For further detail see note 9.

The Royal Court of Jersey confirmed the reduction of Capital account in the Company by an amount of £180,983,000 less issue costs of £512,000 on 23 January 2007 being the proceeds from the issue of 77,622,619 shares in the Company on 15 December 2006.

16 Capital reserves

	2025 £'000	2024 £'000
Start of the year	(114,052)	(108,047)
Foreign exchange profit/(losses)	860	(84)
Movement in investment holding gains	10,456	32,673
Realised losses on investments	(5,618)	(36,388)
Costs charged to capital	(3,266)	(2,206)
At 31 August	**(111,620)**	**(114,052)**

The reserve reflects any gains or losses on investments realised in the period, together with any increases or decreases in the fair value of investments held that have been recognised in the Statement of Comprehensive Income.

17 Net asset value per ordinary shares

The basic net asset value per ordinary share and the net asset value attributable to ordinary shareholders at the year end calculated in accordance with the articles of association were as follows:

	2025		2024	
	Net asset value per share pence	Net asset value attributable £'000	Net asset value per share pence	Net asset value attributable £'000
Ordinary shares	223.32	407,659	221.97	366,104

The basic net asset value per ordinary share is based on 182,544,679 (2024: 164,937,179) ordinary shares, being the number of ordinary shares in issue.

The movements during the year in net assets attributable to the ordinary shares were as follows:

	2025 £'000	2024 £'000
Net assets attributable to ordinary shares at beginning of year	366,104	362,032
Total net profit after taxation	45,112	39,329
Dividends paid	(42,701)	(39,927)
Buyback of shares for treasury	–	(1,721)
Issue of ordinary shares net of issue costs	39,144	6,391
	407,659	**366,104**

18 Contingent liabilities

There were no contingent liabilities as at 31 August 2025 (2024: £nil).

19 Transactions with the investment manager and directors

Under the terms of an agreement effective from 22 July 2014 and most recently updated in 2024, the Company has appointed Janus Henderson Fund Management UK Limited to provide investment management, company secretarial, sales and marketing, and general administrative services.

Details of the fee arrangements for these services are given on page 21. The management fees payable to the investment manager under the agreement in respect of the year ended 31 August 2025 were £2,834,000 (2024: £2,804,000). The amount outstanding at 31 August 2025 was £1,228,000 (2024: £1,176,000).

In addition to the above services, the investment manager facilitates marketing activities with third parties which are recharged to the Company. Total amounts paid to the investment manager in respect of marketing, for the year ended 31 August 2025 amounted to £269,000 (2024: £189,000). The amount outstanding at 31 August 2025 was £222,000 (2024: £57,000).

Fees paid to the directors are considered to be related party transactions. Details of the amounts paid are included in note 5 on page 65. These amounts do not include national insurance contributions on the directors' fees of £24,000 (2024: £14,000) which are included in other expenses. Directors' shareholdings are shown on page 45.

Henderson Global Investors (Holdings) Limited, a wholly owned subsidiary of the investment manager, is the registered holder of 3,000 shares in the Company.

20 Subsequent events

On 21 October 2025, the Company announced the fourth interim dividend of 6.25p per ordinary share in respect of the year ended 31 August 2025. The dividend will be paid on 28 November 2025 to shareholders on the register at 31 October 2025 (the record date). The shares traded ex-dividend on 30 October 2025.

As at 7 November 2025, being the latest practicable date prior to the publication of this report, a further 6,270,000 ordinary shares have been issued.

21 Reconciliation of net debt

The following tables show the movements during the year of net debt in the Balance Sheet:

	Notes	At 1 September 2024 £'000	Net cash flows £'000	Foreign exchange movement £'000	At 31 August 2025 £'000
Financing activities					
Bank loans	12b)	15,300	34,343	(52)	49,591
		15,300	**34,343**	**(52)**	**49,591**
Non-financing activities					
Cash and cash equivalents		(5,482)	(18,394)	(808)	(24,684)
		(5,482)	**(19,394)**	**(808)**	**(24,684)**
Net Debt		**9,818**	**15,949**	**(860)**	**24,907**

	Notes	At 1 September 2023 £'000	Net cash flows £'000	Foreign exchange movement £'000	At 31 August 2024 £'000
Financing activities					
Bank loans	12b)	28,191	(12,678)	(213)	15,300
		28,191	**(12,678)**	**(213)**	**15,300**
Non-financing activities					
Cash and cash equivalents		(3,944)	(1,835)	297	(5,482)
		(3,944)	**(1,835)**	**297**	**(5,482)**
Net Debt		**24,247**	**(14,513)**	**84**	**9,818**

Additional information

In this section

Glossary

Term	Definition
Alternative Investment Fund Managers Directive ("AIFMD")	Issued by the European Parliament and written into English legislation, the AIFMD classifies certain investment vehicles, including investment companies, as Alternative Investment Funds (AIFs) and requires them to appoint an Alternative Investment Fund Manager (AIFM). As the Company's AIFM intends to market itself in the EU, a depositary must be appointed to manage and oversee the operations of the investment vehicle. The Board retains responsibility for strategy, operations and compliance. The directors retain a fiduciary duty to all shareholders.
Association of Investment Companies ("AIC")	The Company is a member of the AIC which is the trade body for investment companies and represents the industry in relation to various matters which impact the regulation of such entities.
Benchmark	An index against which performance is compared. The Company does not have a formal benchmark. It uses the FTSE World Asia Pacific ex Japan and MSCI AC Asia Pacific ex Japan High Dividend Yield indices (sterling adjusted) for comparison purposes only. With effect from 1 September 2025, the Company will use the MSCI AC Asia Pacific ex Japan Index as a comparator index.
Custodian	The custodian is responsible for ensuring the safe custody of the Company's assets and ensuring that all transactions in the underlying holdings are transacted in an accurate and timely manner.
Depositary	All AIFs including the Company, were required to appoint a depositary which has responsibility for overseeing the operations of the Company including record keeping and asset verification of other assets.
Derivative	A contract between two or more parties in relation to an underlying security. The value of a derivative will fluctuate in accordance with the value of the security. The fluctuations in value are usually greater than the fluctuations in the underlying security's value therefore some derivatives are a form of gearing. Examples of derivatives are put and call options, swap contracts, futures and contracts for difference. Foreign exchange, interest rates and commodities may also be traded using derivative contracts.
Dividend dates	When declared or recommended, each dividend will have three key dates applied to it. The payment date is the date on which shareholders will receive their dividend, either by BACS transfer or by receipt of a dividend cheque. The record date applied to the dividend is used as a cut-off for the Company's registrars to know which shareholders should be paid a dividend. Only shareholders on the Register of Members at the close of business on the record date will receive the dividend. The ex-dividend date is the business day before the record date and is the date upon which the Company's net asset value will be disclosed ex-dividend.
Investment companies	Investment companies are public limited companies, listed on the London Stock Exchange, which provide shareholders with a professionally managed portfolio of investments.
Liquidity	In the context of the liquidity of shares in the stock market, this refers to the availability of buyers and sellers in the market for the share in question. Where the market in a particular share is described as liquid, that share will be in demand and holders wishing to sell their shares should find ready buyers. Conversely, where the market in a share is illiquid the difficulty of finding a buyer or seller will tend to depress or increase the price that might be negotiated for a sale or purchase. Investment companies can use allotment or buy back powers to assist the market liquidity in their shares.
Market capitalisation ("market cap")	The market value of a company, calculated by multiplying the mid-market price per share by the number of shares in issue.

Alternative performance measures

The Company uses the following Alternative Performance Measures ('APMs') throughout the annual report, financial statements and notes to the financial statements. The APMs are reconciled to the financial statements through the narrative below. The Board believes that each of the APMs, which are typically used within the investment trust sector, provide additional useful information to shareholders to help assess the Company's performance against its peer group.

Discount or premium

The amount by which the market price per share of an investment trust is either higher (premium) or lower (discount) than the NAV per ordinary share, expressed as a percentage of the NAV per ordinary share.

	NAV pence	Share price pence	Premium/ (discount) to NAV
At 31 August 2025	223.32	231.00	3.4
At 31 August 2024	221.97	227.00	2.3

Gearing/(net cash)

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 a 'net cash' position and no gearing.

		2025	2024
Investments held at fair value through profit or loss (page 68) (£'000)	(A)	432,895	375,908
Net assets (page 59) (£'000)	(B)	407,659	366,014
Gearing (C = (A/B) -1) (%)	(C)	6.2	2.7

Net asset value ('NAV') per ordinary share

The value of the Company's assets (i.e. investments (see Note 10) and cash held (see Balance Sheet) less any liabilities (i.e. bank loans (see Note 12b)) for which the Company is responsible divided by the number of shares in issue (see Note 14). The aggregate NAV is also referred to as total equity in the Balance Sheet. The NAV per share is published daily and the year end NAV can be found on page 6 and further information is available on page 77 in note 17 within the notes to the financial statements.

Ongoing charges

The ongoing charges ratio has been calculated in accordance with the guidance issued by the AIC as the total investment management fees and administrative expenses and expressed as a percentage of the average net asset values throughout the year.

		2025 £'000	2024 £'000
Management fees		2,834	2,804
Other administrative expenses (note 5)		1,396	1,137
Less: non-recurring expenses[2]		(69)	(6)
Ongoing charges	**(A)**	**4,161**	**3,935**
Average net assets[1]	**(B)**	**372,716**	**364,934**
Ongoing charges ratio (C = (A/B) x 100)	**(C)**	**1.12%**	**1.08%**

1 Calculated using the average daily net asset value
2 Non-recurring expenses included those relating to the externally facilitated board evalution, recruitment and legal expenses

Total return

The total return on the share price or NAV takes into account both the rise and fall of NAVs/share prices and dividends paid to shareholders. Each component of the total return needs to be compounded as a geometric return to arrive at the total return. Any dividends received by a shareholder are assumed to have been reinvested in either additional shares (for share price total return) or the Company's assets (for NAV total return). Dividends paid and payable are set out in note 9 on page 67.

	2025		2024	
	NAV per share	**Share price**	**NAV per share**	**Share price**
Opening NAV/Share price per share (pence)	221.97	227.00	222.12	218.00
Closing NAV/Share price per share (pence)	223.32	231.00	221.97	227.00
Change in the year (%)	0.6	1.8	(0.1)	4.1
Impact of dividends reinvested (%)	12.0	11.6	11.8	12.0
Total return for the year (%)	**12.7**	**13.6**	**11.9**	**16.6**

Dividend yield

The yield is the annual dividend expressed as a percentage of the year end share price.

		31 August 2025	**31 August 2024**
Annual dividend (p)	(A)	24.90	24.60
Share price (p)	(B)	231.00	227.00
Yield (C=A/B) (%)	(C)	10.8	10.8

General shareholder information

AIFMD disclosures and remuneration

In accordance with the Alternative Investment Fund Managers Directive (AIFMD), information in relation to the Company's leverage and remuneration the investment manager, as the Company's Alternative Investment Fund Manager (AIFM) is required to be made available to investors. These disclosures, including those on the AIFM's remuneration policy, are contained in a separate document called 'AIFMD Disclosures' which can be found on the Company's website.

BACs

Dividends and interest can be paid to shareholders by means of BACS (Bankers Automated Clearing Systems). Mandate forms for this purpose are available from the registrar. Alternatively, shareholders can write to the registrar to give their instructions. These must include the bank account number, the bank account title and the sort code of the bank to which payments are to be made.

Common Reporting Standard (CRS)

Tax legislation under The Organisation for Economic Co-operation and Development Common Reporting Standard for Automatic Exchange of Financial Account Information was introduced with effect from 1 January 2016. The legislation requires the Company to provide personal information to HMRC on certain investors who purchase shares in investment trusts. This information must be submitted annually to the local tax authority of the tax residencies of a number of non-UK based certificated shareholders and corporate entities.

Equality Act

Copies of this report and other documents issued by the Company are available from the Corporate Secretary. If needed, copies can be made available in a variety of formats, including Braille, audio tape or larger type as appropriate.

You can contact the registrar, Computershare Investor Services (Jersey) Limited, which has installed textphones to allow speech and hearing impaired people who have their own textphone to contact them directly, without the need for an intermediate operator by dialling 0370 702 0005. Specially trained operators are available during normal business hours to answer queries via this service.

Alternatively, if you prefer to go through a 'typetalk' operator (provided by the Royal National Institute for Deaf People), enter 18001 followed by the number you wish to dial.

General Data Protection Regulation (GDPR)

A privacy statement can be found on the website **www.janushenderson.com**.

Non-mainstream pooled investments (NMPI) status

The Company currently conducts its affairs so that its ordinary shares can be recommended by independent financial advisers to ordinary retail investors in accordance with the FCA 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.

ISA

The Company intends to continue to manage its affairs in order to qualify as an eligible investment for a stocks and shares ISA.

Share price and NAV

Details of the Company's share price and NAV can be found on the website at: **www.hendersonfareastincome.com**. The Company's NAV is published daily and the market prices of the Company's shares can be found in the London Stock Exchange Daily Official List.

Shareholder details

Shareholders who hold their shares in certificated form can check their shareholding with the registrar via **www.computershare.com**. Please note that to gain access to your details on the Computershare site you will need the shareholder reference number shown on your share certificate.

New Zealand listing

The Company's shares are also listed on the New Zealand Stock Exchange so that New Zealand shareholders can trade their shares more easily and, in addition, receive dividends in New Zealand dollars. A New Zealand shareholder may transfer shares to the Auckland register by contacting the registrars in New Zealand, Computershare Investor Services Limited.

Taxonomy regulation

Regulation (EU) 2020/852 establishes the basis for the EU taxonomy. The EU taxonomy is a classification system, establishing a list of environmentally sustainable economic activities to provide companies, investors and policymakers with appropriate definitions for which economic activities can be considered environmentally sustainable. In accordance with the Taxonomy Regulation, the Company confirms that the investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Historical record

At 31 August	Net assets £'000	NAV per ordinary share[5] p	Closing price per ordinary share p	Premium/ discount)[5] %	Profit/ (loss) for year £'000	Revenue return per ordinary share p	Capital return per ordinary share p	Total return per ordinary share p	Dividend per ordinary share[5] p	Ongoing charge[5] %
2016	386,859	337.76	343.00	1.6	95,375	21.13	62.41	83.54	20.00	1.17
2017	442,482	375.19	380.00	1.3	67,211	21.94	36.09	58.03	20.80	1.12
2018	441,004	359.26	357.00	(0.6)	6,595	22.21	(16.77)	5.44	21.60	1.09
2019	469,121	358.99	361.00	0.6	28,306	23.38	(0.95)	22.43	22.40	1.11
2020	425,927	301.02	311.00	3.3	(48,819)	23.71	(59.23)	(35.52)	23.00	1.08
2021	452,644	299.58	301.50	0.6	29,677	23.22	(2.82)	20.40	23.40	1.09
2022	435,576	281.11	281.00	0.0	7,957	24.41	(19.18)	5.23	23.80	1.01
2023	362,032	222.12	218.00	(1.9)	(56,240)	20.92	(56.35)	(35.43)	24.20	0.97
2024	366,104	221.97	227.00	2.3	39,329	27.83	(3.68)	24.15	24.60	1.08
2025	**407,659**	**223.32**	**231.00**	**3.4**	**45,112**	**24.98**	**1.42**	**26.40**	**24.90**	**1.12**

1 Net asset value ('NAV') total return performance with dividends reinvested
2 Share price total return using closing price and including dividends reinvested
3 The Company does not have a formal benchmark and uses these indices (sterling adjusted) for comparison purposes only
4 All indices are sterling adjusted and rebased to £100
5 The NAV total return, share price total return, NAV per share, premium or discount, ongoing charge and dividend per share are considered to be alternative performance measures. More information can be found on pages 81 and 82

Corporate information

Registered office

IFC1, The Esplanade, St. Helier
Jersey JE1 4BP

Principal place of business

201 Bishopsgate, London EC2M 3AE

Service providers

Alternative Investment Fund Manager

Janus Henderson Fund Management UK Limited
201 Bishopsgate
London EC2M 3AE

Corporate Secretary

Janus Henderson Secretarial Services UK Limited
201 Bishopsgate
London EC2M 3AE
Telephone: 020 7818 1818
Email: **itsecretariat@janushenderson.com**

Depositary and custodian

J.P. Morgan Trust Company (Jersey) Limited
JP Morgan Chase Bank N.A., (Jersey Branch)
4th Floor, Ensign House, 29 Seaton Place, St. Helier,
Jersey JE2 3QL

Administrator

BNP Paribas S.A.
IFC1, The Esplanade, St. Helier, Jersey JE1 4BP
Telephone: 01534 813800

Corporate broker

Cavendish Capital Markets Limited
One Bartholomew Close
London EC1A 7BL

Registrar

Computershare Investor Services (Jersey) Limited
13 Castle Street, St Helier, Jersey JE1 1ES
Telephone: 0370 707 4040
Email: **info@computershare.co.je**

New Zealand Registrar

Computershare Investor Services Limited
PO Box 92119, Auckland 1142, New Zealand
Telephone: (0064) 9 488 8777

Independent auditors

PricewaterhouseCoopers LLP
7 More London Riverside
London SE1 2RT

Financial calendar

Financial period end	31 August
4th Interim dividend	28 November 2025
Annual General Meeting	20 January 2026
1st Interim dividend	28 February 2026
2nd Interim dividend	30 May 2026
3rd Interim dividend	29 August 2026

Dividend dates refer to the payment date

Information sources

For more information about the Company, visit the website at **www.hendersonfareastincome.com.** This includes factsheets, interviews, current information on the Company and up-to-date share price and net asset value details.

To sign up for expert insights about investment trusts, updates from our Fund Managers as well as AGMs please visit this page:

www.janushenderson.com/en-gb/investor/subscriptions

Follow the Janus Henderson Investment Trusts on LinkedIn – Janus Henderson Investment Trusts, UK.

Investing

Shares can be purchased in the market via a stockbroker or through share dealing platforms. They can also be held through share plans, ISAs or pensions and links to various providers are included on the website.

Potential investors are reminded that the value of investments and the income from them may go down as well as up and investors may not receive back the full amount invested. Tax benefits may vary as a result of statutory changes and their value will depend on individual circumstances.

Notice of Annual General Meeting

Notice of Annual General Meeting

Notice is hereby given that the 19th Annual General Meeting of Henderson Far East Income Limited ('the Company') will be held at 201 Bishopsgate, London, EC2M 3AE on **20 January 2026** at **12.30pm** for the transaction of the following business:

Ordinary resolutions

1 To receive the annual report and audited financial statements for the year ended 31 August 2025.

2 To approve the Directors' Remuneration Report for the year ended 31 August 2025.

3 To elect Steven Wilderspin as a director.

4 To re-elect Ronald Gould as a director.

5 To re-elect Timothy Clissold as a director.

6 To re-elect Carole Ferguson as a director.

7 To re-elect Susan Rippingall as a director.

8 To re-elect Nicholas George as a director.

9 To re-appoint PricewaterhouseCoopers LLP as the auditor to the Company.

10 To authorise the directors to determine the auditors' remuneration.

Under provisions of the Company's articles of association, Resolution 11 and onwards are considered special business.

11 To approve the Company's dividend policy of paying four interim dividends.

12 THAT, the Company be and is hereby generally and unconditionally authorised to hold up to 10% of the Company's own shares (whether purchased pursuant to Resolution 13 or otherwise) as treasury shares pursuant and subject to Articles 58A and 58B of the Companies (Jersey) Law 1991, as amended.

Special resolutions

13 THAT, the Company be and is hereby generally and unconditionally authorised to make one or more market purchases on a stock exchange of, and to cancel, or (subject to Resolution 12) hold as treasury shares, ordinary shares of no par value in the capital of the Company ('shares'), pursuant to Article 57 of the Companies (Jersey) Law 1991, as amended (the 'Law'), provided that:

(a) the maximum number of shares hereby authorised to be purchased is 14.99% of the issued share capital of the Company as at the date of the passing of this resolution;

(b) the maximum price, exclusive of expenses, which may be paid for a share shall not be more than the higher of

(i) an amount equal to 105% of the average of the middle market quotations for a share taken from the Official List for the five business days immediately preceding the day on which the share is purchased; and

(ii) the higher of the last independent trade and the highest current independent bid as stipulated by Commission-adopted Regulatory Technical Standards pursuant to Article 5(6) of the Market Abuse Regulation;

(c) the minimum price, exclusive of expenses, which may be paid for a share is one penny;

(d) the directors of the Company can, prior to each such purchase, make the solvency statement required by the Law and fulfil all other requirements of the Law in relation to purchases of a company's own shares; and

the authority hereby conferred shall expire at the conclusion of the next annual general meeting of the Company or, if earlier, on the expiry of 15 months from the passing of this resolution, unless such authority is renewed prior to such time.

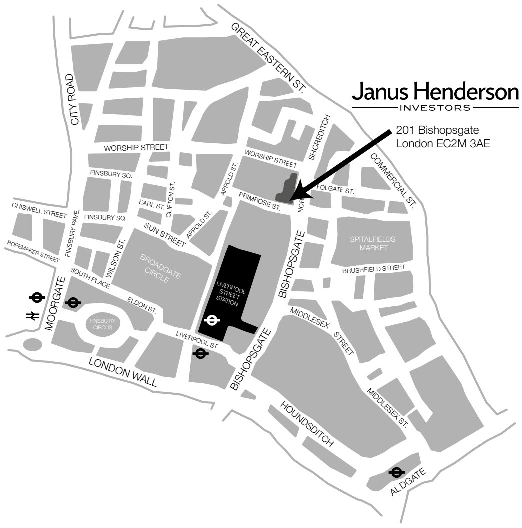
14 THAT, the directors are authorised to allot ordinary shares on a non-pre-emptive basis up to a number equivalent to 10% of the total number of shares in issue as at the date of this resolution, provided that such authority shall expire (unless and to the extent previously revoked, varied or renewed by the Company in general meetings by special resolution) at the earlier of the conclusion of the next annual general meeting or 15 months from the date of this resolution but so that this power shall enable the Company to make offers or agreements before such expiry which would or might require equity securities to be issued after such expiry and the directors of the Company may issue ordinary share in pursuance of any such offer or agreement as if such expiry had not occurred.

By order of the Board

Janus Henderson Secretarial Services UK Limited
Corporate Secretary
10 November 2025

Registered office:
IFC1, The Esplanade St. Helier Jersey JE1 4BP

AGM venue



The annual general meeting will be held at Janus Henderson Investors' offices at 201 Bishopsgate, London EC2M 3AE. It is a few minutes' walk from Liverpool Street Station and from Moorgate Underground Station.

Explanatory notes

The information set out below is an explanation of the business to be considered at the Meeting. Members are recommended to view the Company's website **www.hendersonfareastincome.com** on which they can find the Company's annual report and financial statements.

Resolutions 1 to 12 are proposed as ordinary resolutions. This means that, for each of those resolutions to be passed, more than half of the votes cast must be in favour of the resolution. Resolutions 13 and 14 are proposed as special resolutions which require at least two thirds of the votes cast to be in favour of the resolution.

Resolution 1: Company's annual report and financial statements (ordinary resolution)

Members will be given an opportunity at the Meeting to ask questions on the annual report. At the end of the discussion, members will be invited to receive the annual report and audited financial statements.

Resolutions 2: Approve the Directors' Remuneration Report (ordinary resolution)

Members are requested to approve the Directors' Remuneration Report for the year ended 31 August 2025. The report is set out on pages 45 and 46 of this annual report. The vote is advisory and does not affect the remuneration payable to any individual director. However, the Board will take feedback from members regarding remuneration and incorporate this into any future remuneration discussions.

Resolution 3 to 8: Election/re-election of directors (ordinary resolutions)

In accordance with provisions of the Code of Corporate Governance issued by the Association of Investment Companies, all directors seek re-election on an annual basis.

Resolution 3 relates to the election of Steven Wilderspin, who was appointed to the Board on 5 June 2025. Steven has extensive accounting and auditing experience. He is Jersey resident.

Resolution 4 relates to the re-election of Ronald Gould, who was appointed to the Board on 28 October 2021 and became Chairman on 21 June 2022. Ronald is an investor and strategic consultant in the financial services sector in both Asia and Europe.

Resolution 5 relates to the re-election of Timothy Clissold, who was appointed to the Board on 3 September 2018. Timothy is a qualified Chartered Accountant and has worked in Australia, Hong Kong and spent more than 20 years living and working in China, where he was co-founder of one of the first private equity groups in the country.

Resolution 6 relates to the re-election of Carole Ferguson who was appointed to the Board on 1 December 2023. Carole has extensive experience in the financial services sector in research, finance, sustainability and derivatives.

Resolution 7 relates to the re-election of Nicholas George, who was appointed to the Board on 20 April 2016. Nicholas has a strong background in investment banking, specialising in Asian markets. He spent much of his career in Hong Kong and London.

Resolution 8 relates to the re-election of Susan Rippingall who was appointed to the Board on 1 December 2023. She has more than 25 years' fund management experience in Asian markets.

The Board has reviewed the performance and commitment of the directors standing for election and re-election and consider that each of them continue to bring wide-ranging, current and relevant business experience that allows them to contribute effectively to the leadership of the Company.

Furthermore, the Board is satisfied that, having considered each directors' experience and the nature of, and anticipated demands on their time by other business commitments, that each director is able to commit the time required to fulfil his or her responsibilities as a director of the Company.

All the directors are considered by the Board to be independent for the purposes of the Code of Corporate Governance issued by the Association of Investment Companies.

Directors' biographies can be found on pages 32 and 33 of this annual report.

Resolutions 9 and 10: Appointment and remuneration of the auditors (ordinary resolutions)

Members are invited to re-appoint the Company's auditor each year and give authority for the directors to determine their remuneration. PricewaterhouseCoopers LLP ('PwC') were appointed at the annual general meeting held on 27 January 2023. PwC has completed their third audit and, following assessment of the effectiveness of the audit, the Board is recommending their reappointment and asking members to allow the directors to agree their remuneration.

Resolution 11: Approval of the dividend policy (ordinary resolution)

The directors seek members' approval of the Company's dividend policy, which is to pay quarterly interim dividends. In the year ended 31 August 2025 these have totalled 24.90p per share. The vote is advisory as the directors have the ability under provisions of the articles to determine and approve the payment of interim dividends.

Resolution 12: Treasury shares (ordinary resolution)

The directors are seeking authority to hold up to 10% of the Company's own shares which may be repurchased subject to this resolution, or otherwise, as treasury shares.

Explanatory notes continued

Resolution 13: Repurchase of the Company's ordinary shares (special resolution)

On 24 January 2025 the directors were granted authority to repurchase up to 14.99% of the issued share capital as at that date for cancellation or to be held in treasury. The Company has not repurchased any shares during the period.

This resolution seeks to renew the Company's authority to buy back shares. The authority under this resolution is limited to the purchase of a maximum of 14.99% of the ordinary shares in issue at the date of the passing of this resolution. The Company may cancel or hold in treasury (up to 10% of the issued share capital at the date of the resolution) any shares bought back under this authority.

The directors believe that, from time to time and subject to market conditions, it will continue to be in the members' interests to buy back the Company's shares when they are trading at a discount to the underlying net asset value per share. Repurchases of the Company's shares provide a modest uplift in the NAV for existing members and often results in the share price more closely reflecting the underlying value of the portfolio.

The Company may utilise the authority to purchase shares by either a single purchase or a series of purchases when market conditions allow, with the aim of maximising the benefit to members. This proposal does not indicate that the Company will purchase shares at any particular time or price, nor imply any opinion on the part of the directors as to the market or other value of the Company's shares.

This authority will expire at the conclusion of the next annual general meeting or within 15 months from the date of the passing of this resolution (whichever is earlier) and it is the present intention of the directors to seek a similar authority annually.

Resolution 14: Disapplication of pre-emption rights (special resolution)

This resolution authorises directors to allot ordinary shares on a non-pre-emptive basis. The authority is in respect of 10% of the issued share capital as at the date this resolution, which will expire on the earlier of 15 months from the date of the resolution or at the conclusion of the next annual general meeting.

In accordance with the requirements of the UK Listing Authority this disapplication will be proposed for renewal annually.

Notes to the Notice of Meeting

1 Voting record date

Pursuant to Article 40 of the Companies (Uncertificated Securities) (Jersey) Order 1999, the Company specifies that only those members entered on the Register of Members of the Company as at 12.30pm on 16 January 2026 or, in the event that the Meeting is adjourned, on the Register of Members 48 hours before the time of any adjourned meeting, shall be entitled to attend and vote at the Meeting in respect of the number of shares registered in their name at that time. Changes to the entries on the Register of Members after 12.30pm on 16 January 2026 or, in the event that the Meeting is adjourned, in the Register of Members 48 hours before the time of any adjourned meeting, shall be disregarded in determining the rights of any person to attend or vote at the Meeting, notwithstanding any provisions in any enactment, the articles of association of the Company or other instrument to the contrary.

2 Rights to attend and vote

A member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and, on a poll, to vote instead of them. A proxy need not be a member of the Company. A Form of Proxy is enclosed.

3 Rights to appoint proxies

Instruments of proxy and the power of attorney or other authority, if any, under which they are signed or a notarially certified copy of that power of attorney or authority should be sent to the Registrars, Computershare Investor Services (Jersey) Limited, c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY so as to arrive not less than 48 hours before the time fixed for the Meeting.

4 Receipt and termination of proxies

A Form of Proxy is enclosed and to be valid must be lodged with the Company's Registrars (Computershare Investor Services (Jersey) Limited, c/o The Pavilions, Bridgwater Road, Bristol BS99 6ZY) before 12.30pm on 16 January 2026. A member may terminate a proxy's authority at any time before the commencement of the Meeting. Termination must be provided in writing and submitted to the Company's Registrar at the above address.

5 Communication with the Company

Members may not use any electronic address provided either in the Notice or any related documents (including the Form of Proxy) to communicate with the Company for any purpose other than those expressly stated.

6 Electronic receipt of proxies

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 utilising the procedures described in the CREST manual, which is available to download from the Euroclear website (**www. euroclear.com/CREST**). CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST manual. The message must be transmitted so as to be received by the Issuer's agent (ID 3RA50) by the latest time for receipt of proxy appointments specified in note (4) above.

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 applications host) from which the Issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Article 33 of the Companies (Uncertificated Securities) (Jersey) Order 1999.

If you are an institutional investor you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the registrar. For further information regarding Proxymity, please go to **www.proxymity.io**. Your proxy must be lodged by 12.30 pm on 16 January 2026 in order to be considered valid. 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.

7 Website

A copy of the Notice of the Meeting, is available from the Company's website, **www.hendersonfareastincome.com**.

8 Total voting rights

As at 6 November 2025 (being the last practicable date prior to the publication of this Notice) the Company's issued share capital comprised 188,814,679 ordinary shares of no par value.

Each ordinary share carries the right to one vote at a general meeting of the Company and, as no shares are held in treasury, this figure also represents the total number of voting rights in the Company.

9 New Zealand listing

The Company's ordinary shares are also listed on the New Zealand Stock Exchange so that New Zealand members can trade their shares more easily and, in addition, receive dividends in New Zealand Dollars. A New Zealand shareholder may transfer shares to the Auckland register by contacting the Registrars in New Zealand, Computershare Investor Services Limited.

Warning to shareholders

Many companies are aware that their shareholders have received unsolicited phone calls or correspondence concerning investment matters. These are typically from overseas based 'brokers' who target UK shareholders offering to sell them what often turn out to be worthless or high-risk shares in US or UK investments. They can be persistent and extremely persuasive. Shareholders are therefore advised to be wary of any unsolicited advice, offers to buy shares at a discount or offers of free company reports. Please note that it is unlikely that either the Company or the Company's registrar, Computershare, would make unsolicited telephone calls to shareholders. Any such calls would relate only to official documentation already circulated to shareholders and never in respect of investment 'advice'. If you are in any doubt about the veracity of an unsolicited phone call, please call the Corporate Secretary at the number provided on page 85. You can also check the FCA Warning List at **#BeScamSmart – www.fca.org.uk/scamsmart**.

MANAGED BY
Janus Henderson
INVESTORS

Telephone: **020 7818 1818**

Email: **itsecretariat@janushenderson.com**

www.hendersonfareastincome.com

To receive your annual reports in electronic format, scan the QR code and register your preference with Computershare:

Henderson Far East Income Limited
Registered as an investment company in Jersey
Regulated by the Jersey Financial Services Commission

Registered office

IFC1, The Esplanade,
St Helier, Jersey JE1 4BP

Principal place of business
201 Bishopsgate
London, EC2M 3AE

ISIN/SEDOL number

B1GXH75/JE00B1GXH751

Companies Registry registration number

00095064

London Stock Exchange (TIDM) Code

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