

Gulf Investment Fund plc

Annual Report

Year ended 30 June 2024

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Management and Administration

Directors

A Whamond (Non-executive Chairman)*
D Humbles (Non-executive Director)*
P Grant (Non-executive Director - appointed 1 October 2023)*
N Benedict (Non-executive Director - resigned 22 December 2023)*
all of the registered office below
* independent

Registered Office

Exchange House
54-62 Athol Street
Douglas
Isle of Man
IM1 1JD

Investment Manager

Epicure Managers Qatar Limited
Trinity Chambers
Road Town
Tortola
British Virgin Islands

Investment Adviser

Qatar Insurance Company S.A.Q.
PO Box 666
Tamin Street
West Bay
Doha
Qatar

Brokers

Panmure Liberum
25 Ropemaker Street
London
EC2Y 9LY

Custodian

HSBC Bank Middle East Limited
Qatar Branch
HSBC Security Services
PO Box No. 57
Doha
Qatar

Management and Administration (continued)

Administrator	Apex Corporate Services (IOM) Limited Exchange House 54-62 Athol Street Douglas Isle of Man IM1 1JD
Auditors	KPMG Audit LLC Heritage Court 41 Athol Street Douglas Isle of Man IM1 1LA
Registrar	Link Market Services (Isle of Man) Limited PO Box 227 Peveril Buildings Peveril Square Douglas Isle of Man IM99 1RZ

Chairman's Statement

I present your company's Annual Report and Financial Statements for the 12 months to 30 June 2024.

In the 12 months, Gulf Investment Fund PLC's (GIF – "the Company" and "the Fund") net asset value per share (NAV) rose 10.2% (including dividends) to US\$2.51, outperforming the benchmark (S&P GCC Composite Index) which was up 2.6% on the same basis, by 7.6%. Over the year the GIF share price decreased 3.8% from US\$2.40 to US\$2.31.

The background to this performance is that the GIF NAV has grown 198.7% (including dividends) since the mandate widened from Qatar-focused to Gulf-wide in December 2017. Since then the GIF NAV has outperformed its benchmark by 113.4%. \$100 invested in the company in December 2017 is now worth \$298.7. \$100 invested in the benchmark would be worth \$185.3.

Over the 12 months to the end of June 2024 GIF paid dividends of US cents 8.1 which is a yield of 3.2% of the NAV at 30 June 2024. This is in line with the enhanced dividend policy.

GCC remains a higher growth economic region, mostly overlooked by international investors

GIF is the only London-listed investment company focused on Gulf Cooperation Council (GCC) countries. These states now represent approximately 7.1 % of the MSCI Emerging index, from 1.20% in June 2017.

The GCC is more than an oil and gas story. Governments in the region are encouraging non-hydrocarbon economic development with some success. Non-oil GDP is growing ahead of overall GDP growth in the region. In the 12 months ending June 2024, GIF was overweight Industrials (25.6% of NAV), Materials (16.6% of NAV) and Consumer Discretionary (5.1% of NAV). Further details are in the Managers report below.

The GCC region has been overshadowed by the events of October 2023 and the subsequent war. Although these events have had limited impact on the GCC markets, they have had a significant impact on retail investor sentiment with respect to GIF itself.

Results

Results for the 12 months showed a profit of \$9,437,583 generated from fair value adjustments, realised gains/losses and dividend income. This is equivalent to a basic earnings per share of US cents 23.38 (2023 US cents 40.14).

Ongoing charges rose to 1.89% of NAV from 1.67% in the previous year. This reflects a smaller NAV following the tender offers, and inflation generally.

Investment Adviser

As advised in last year's annual report Bijoy Joy took over from Jubin Jose as of January 1st this year. He and his team have continued to outperform.

Tender Offer – Post Balance Sheet Event

On 22 August 2024, the Company announced the launch of a tender offer for up to 100 per cent. of each Shareholder's holding in the Company. The Company received irrevocable commitments pursuant to the Tender Offer to tender Shares which resulted in the minimum size condition in respect of the Tender Offer (being a post Tender Offer share capital of not less than 38,000,000 Shares) not being met. As a result, the Tender Offer did not proceed in accordance with tender terms and conditions set out in the Circular of the Company dated 28 November 2023.

As set out in the Circular, the Directors instead put forward proposals to Shareholders for the Company to be wound up with a view to returning cash to Shareholders or to enter into formal liquidation.

Chairman's Statement (continued)

Tender Offer – Post Balance Sheet Event (continued)

The Company published a circular on 4 October 2024 setting out details of the Proposals and to convene an extraordinary general meeting on 29 October 2024 at which approval for the Proposals will be sought from shareholders. As such the Directors expect that the Company will cease operations at that time and expect to wind up the Company as soon as is reasonably practicable thereafter.

The Directors therefore have concluded that the financial statements should be prepared on a non-going concern basis. The effect of this is outlined in note 13.1.

In making this assessment, the Directors have considered the steps taken towards liquidating the Company and other information available to the date of approval of these financial statements.

Anderson Whamond

Chairman

16 October 2024

Business Review

This provides information about the Company's business and results for the year ended 30 June 2024. It should be read in conjunction with the Report of the Investment Manager and the Investment Adviser on pages 7 to 15 which gives a detailed review of the investment activities for the year and an outlook for the future.

Investment objective and strategy

The Company's investment objective is to capture the opportunities for growth offered by the expanding GCC economies by investing, in listed or soon to be listed companies on one of the GCC exchanges.

The Company applies a top-down screening process to identify those sectors which should most benefit from sector growth trends. Fundamental industry and company analysis, rather than benchmarking, forms the basis for both stock selection and portfolio construction.

The investment policy is on pages 16 to 19.

Performance measurement and key performance indicators

In order to measure the success of the Company in meeting its objectives and to evaluate the performance of the Investment Manager, the Directors take into account the following key performance indicators:

Returns and Net Asset Value

At each quarterly Board meeting the Board reviews the performance of the portfolio versus the S&P GCC Composite Index (local benchmark) as well as the net asset value, income, share price and expense ratio for the Company.

Discount/Premium to Net Asset Value

The Board regularly monitors the discount/premium to net asset value. The Directors obtained their authority at the AGM in order to be able to make purchases through the market where they believe they can assist in narrowing the discount to net asset value and where it is accretive to net asset value per share.

Yield

The Board monitors the dividend income of the portfolio and the amount available for distribution and considers the impact on the Company's annual enhanced dividend policy of future progressive dividend payments, subject to the absence of exceptional market events. The enhanced dividend policy targets a yield equivalent to 4% of the GIF NAV at the end of the previous financial year.

Principal risks and emerging risks

The Board confirms that there is an on-going process for identifying, evaluating and managing or monitoring the key risks to the Company. These key risks have been collated in a risk matrix document which is reviewed and updated on a quarterly basis by the Directors. The risks are identified and graded in this process, together with the policies and procedures for the mitigation of the risks. Apart from the key risks outlined below the Company's continuation is identified as an ongoing risk.

The Board confirms that there have been no emerging risks identified.

In addition to the tender offer noted on page 5 the key risks which have been identified and the steps taken by the Board to mitigate these are as follows:

Market

The Company's underlying investments consist of listed companies. There are no investments in companies soon to be listed. Market risk arises from uncertainty about the future prices of the investments. This is commented on in Notes 1 and 2 on pages 48 to 54.

Business Review (continued)

Investment and strategy

The achievement of the Company's investment objective relative to the market involves risk. An inappropriate asset allocation may result in underperformance against the local index. Monitoring of these risks is carried out by the Board which, at each quarterly Board meeting, considers the asset allocation of the portfolio, the ratio of the larger investments within the portfolio and the management information provided by the Investment Manager and Investment Adviser, who are responsible for actively managing the portfolio in accordance with the Company's investment policy. The net asset value of the Company is published weekly.

Accounting, legal and regulatory

The Company must comply with the provisions of the Isle of Man Companies Acts 1931 to 2004 and since its shares are listed on the London Stock Exchange, the Disclosure Guidance and Transparency Rules and Market Abuse Regulation (MAR) (together the "FCA Rules"). A breach of company law or FCA Rules could result in the Company and/or the Directors being fined or the subject of criminal proceedings and, in the case of a breach of the FCA Rules, could result in the suspension of the Company's shares. The Board relies on its company secretary and advisers to ensure adherence to company law and FCA Rules. The Board takes legal, accounting or compliance advice, as appropriate, to monitor changes in the regulatory environment affecting the Company.

Operational

Disruption to, or the failure of, the Investment Manager, the Investment Adviser, the Custodian or Administrator's accounting, payment systems or custody records could prevent the accurate reporting or monitoring of the Company's financial position. Details of how the Board monitors the services provided by the Investment Manager and its other suppliers, and the key elements designed to provide effective internal control, are explained further in the internal control section of the Corporate Governance Report on pages 23 to 31.

Financial

The financial risks faced by the Company include market price risk, foreign exchange risk, credit risk, liquidity risk and interest rate risk. Further details are disclosed in Notes 1(c), 2, 6 and 8.

Report of the Investment Manager and Investment Adviser

Regional Market Overview:

Country / Region	Index	30-Jun-23	31-Dec-23	2H2023	30-Jun-24	1H2024	LTM
Qatar	DSM Index	10,075	10,831	7.5%	9,968	-8.0%	-1.1%
Saudi Arabia	SASEIDX Index	11,459	11,967	4.4%	11,680	-2.4%	1.9%
Dubai	DFMGI Index	3,792	4,060	7.1%	4,030	-0.7%	6.3%
Abu Dhabi	ADSMI Index	9,550	9,578	0.3%	9,061	-5.4%	-5.1%
Kuwait	KWSEAS Index	7,030	6,817	-3.0%	6,937	1.8%	-1.3%
Oman	MSM30 Index	4,768	4,514	-5.3%	4,687	3.8%	-1.7%
Bahrain	BHSEASI Index	1,958	1,971	0.7%	2,025	2.7%	3.5%
S&P GCC	SEMGGCPD Index	143	148	3.2%	142	-4.1%	-1.0%
S&P GCC	SEMGGCTD Index	273	285	4.4%	280	-1.7%	2.6%
Brent	CO1 Comdty	75	77	2.9%	86	12.2%	15.4%
MSCI EM	MXEF Index	989	1,024	3.5%	1,086	6.1%	9.8%
MSCI World	MXWO Index	2,967	3,169	6.8%	3,512	10.8%	18.4%

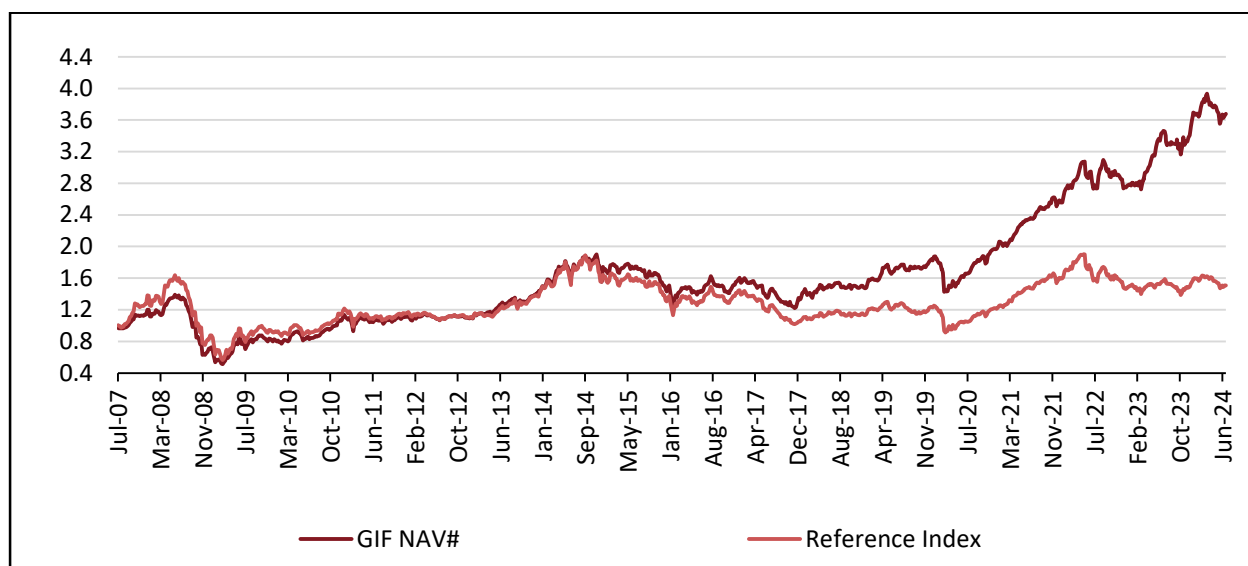
Source: Bloomberg; LTM: Last Twelve Months

GIF Performance:

During the last 12 months, GIF NAV rose 10.2 per cent (including dividends) vs. S&P GCC Composite Index, which rose 2.6 per cent. Since the mandate widened from Qatari-focused to Gulf-wide in December 2017, NAV has risen 198.7 per cent (dividend adjusted), as against the 85.3 per cent returns recorded by S&P GCC total return index. On 30 June 2024, GIF share price was trading at a 8.0 per cent discount to NAV vs. five-year average discount of 6.0 per cent.

Dubai was the best performing market in the GCC region over the last 12 months, rising 6.3 per cent followed by Bahrain (up 3.5 per cent) and Saudi Arabia (up 1.9 per cent). Abu Dhabi was down 5.1 per cent and Oman down 1.7 per cent, while Kuwait and Qatar fell marginally by 1.3 and 1.1 per cent respectively.

Report of the Investment Manager and Investment Adviser (continued)



Source: QIC, Bloomberg as of 30 June 2024; Note: #Div. Adj. NAV; Investment Strategy widened to GCC starting 07-Dec-2017, subsequently benchmark changed to S&P GCC Index from QE Index

GCC nations attracting foreign direct investment

The IMF upgraded its expectation of GCC GDP growth to 2.4 per cent for 2024, and 4.9 per cent in 2025. This is partly due to momentum in the non-oil economy. GCC nations have also enjoyed a significant increase in capital inflows (FDI) across a range of sectors. This highlights its appeal as a center for global business and investment.

That said Saudi Arabia, Bahrain, and Kuwait are expected to have budget deficits this year and in 2025 due to oil prices being below their fiscal breakeven points. Despite this, the overall budget position of the GCC is expected to still be slightly in surplus this year, supported by strong financial health and favourable credit ratings.

Table: IMF Real GDP Growth Forecast 2024 and 2025

Real GDP Growth	2021	2022	2023	2024e	2025e
GCC	4.3%	7.0%	0.4%	2.4%	4.9%
GCC Oil GDP	0.6%	11.9%	-5.9%	-1.1%	6.0%
GCC Non-oil GDP	5.4%	5.3%	3.8%	3.6%	4.5%

Source: IMF Regional Economic Outlook, April 2024

Report of the Investment Manager and Investment Adviser (continued)

Table: General Government Fiscal Balance

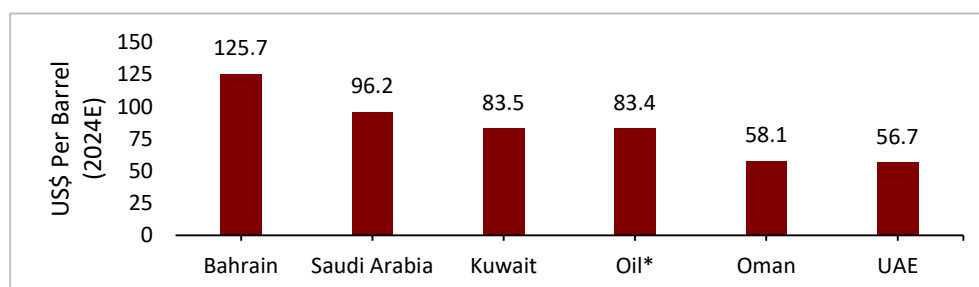
% of GDP	2021	2022	2023	2024e	2025e
Saudi Arabia	-2.2	2.5	-2.0	-2.8	-1.6
UAE	4.0	9.9	6.3	4.5	4.0
Qatar	0.2	10.4	5.4	5.1	4.7
Kuwait	8.9	30.6	29.4	27.3	28.1
Bahrain	-11.0	-5.4	-8.3	-6.9	-7.6
Oman	-3.1	10.1	5.9	3.7	3.6
GCC	0.2	7.6	3.4	2.3	2.7

Source: IMF Regional Economic Outlook, April 2024

OPEC+ production cuts

OPEC+ plans to extend cuts of 3.7 mn bpd until end-2025 and reduced 2.2 mn bpd cuts by September 2024, with a phased phase-out by September 2025. OPEC expects crude demand to average 43.7 mn bpd in H2 2024, potentially reducing stocks by 2.6 mn bpd if output remains stable. However, the drawdown will decrease as OPEC+ begins phasing out the 2.2 mn bpd cuts from October 2024.

GCC countries fiscal breakeven oil price (2024E)

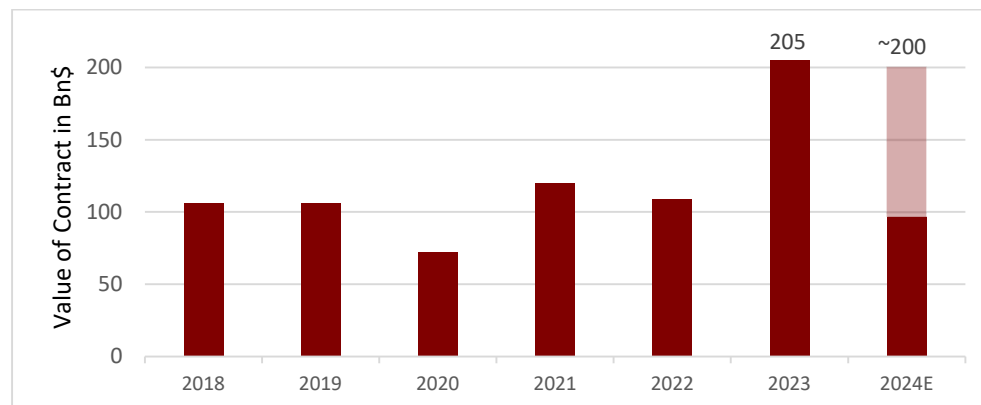


Note: *YTD Average of Brent crude from January to June end 2024
Source: IMF Regional Economic Outlook, April 2024

As per the latest IMF estimates released in April 2024, fiscal oil price breakeven for Saudi, UAE, Kuwait and Oman remain within the range of previous estimates. However, oil price breakeven for Qatar and Bahrain fiscal requirement was lowered as the country continue to benefit from non-oil economic activities.

Report of the Investment Manager and Investment Adviser (continued)

GCC Project awards momentum continues



Q2 GCC contract awards stood at \$51.7 bn with Saudi accounting for close to 60% of that amount. On an annualized basis for the first half, project awards in the GCC stands to achieve a total close to \$200 bn for the second year in a row. The five-year average of GCC contract awards from 2018 to 2022 is close to \$100 bn.

Notable key developments in GCC countries

Aramco awards USD 25 bn of gas expansion

Saudi Aramco awarded \$25 bn worth of contracts for gas expansion, relating to phase two development of the Jafurah unconventional gas field, phase three expansion of Aramco's Master Gas Systems, new gas rigs and ongoing capacity maintenance. This will increase Saudi's gas production from 13.5 bn cfpd to 21.3 bn cfpd (+58 per cent) by 2030.

Saudi Arabia energy transformation

The Saudi Green Initiative aims to plant 10 bn trees and increase renewable energy's share in the national energy mix to over 50 per cent by 2030.

Kuwait approves \$1.4 bn for infrastructure projects

Kuwait's 2024-2025 budget includes 36 infrastructure projects totalling approximately 428 mn Kuwaiti dinars (USD 1.4 bn), aimed at enhancing national development. Additionally, 16 projects valued at KWD 72 mn (USD 237.6 mn) are allocated to support the private sector. The budget also encompasses 19 projects worth KWD 140 mn (\$462 mn) alongside ongoing construction initiatives, reflecting a comprehensive effort to boost infrastructure and economic growth in the country.

Report of the Investment Manager and Investment Adviser (continued)

Qatar announces mega-entertainment district

The Smaisma Project, managed by Qatari Diar Real Estate Investment Company, spans eight mn square meters along Qatar's eastern coast at Smaisma Beach. It includes 16 tourism zones, resorts, a theme park, golf course, marina, and sustainable features like smart construction and local materials. Aligned with Qatar's Third National Development Strategy 2024-2030, the project aims to boost non-oil sector growth and attract investments, contributing to Qatar's economic diversification efforts. Qatari Diar, overseeing \$35 bn in global projects, underscores its role in advancing Qatar's real estate sector with sustainable and innovative developments.

Dubai Industrial City to boost manufacturing

Dubai Industrial City has launched 13.9 mn sq.ft. of additional land capacity to strengthen local manufacturing and supply chains in the UAE. Acquired through a USD 111.6 mn transaction, this expansion supports initiatives like Operation 300 bn and Dubai Economic Agenda 'D33'.

Oman Shell construction of green hydrogen station

Oman Shell started construction of the country's first green hydrogen station. The project is supported by various government and industry partners, marking a significant step toward sustainable mobility in Oman.

GCC IPO pipeline

GCC had 23 new listings in 1H 2024, raising around USD 3.6 bn. In terms of number of listings, Saudi had 19 IPOs, raising around USD 2.3 bn, UAE had 4 IPOs raising around USD 2.4 bn and Kuwait had 1 IPO raising around USD 0.1 bn.

Recently listed Dr Soliman Abdul Kader Fakeeh Hospital company raised around USD 762 mn (oversubscribed 119X), marking the largest IPO in the Saudi stock exchange in H1 2024. This was followed by Alef Education raised around USD 514 mn (oversubscribed 39X). Moreover, there was record breaking demand for Dubai Parkin resulting in the IPO being oversubscribed by 165X, representing the highest ever oversubscription level achieved on the DFM.

Report of the Investment Manager and Investment Adviser (continued)

The IPO market in the Middle East is set to remain strong in 2024, driven by a healthy pipeline of offerings from private sector companies seeking liquidity and capital access. While most of the IPO activity is anticipated to come from Saudi Arabia and the UAE, there is also increasing momentum in Oman and Qatar.

Portfolio structure

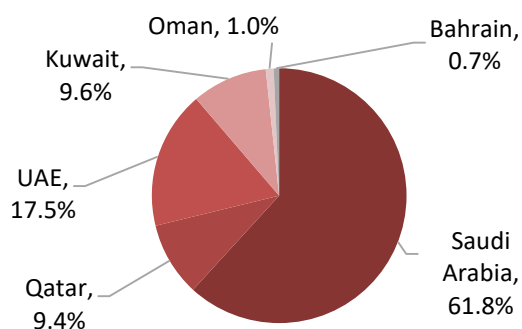
Gulf Cooperation Council (GCC) markets declined 3.9 per cent in the second quarter of 2024, in contrast to MSCI World's increase of 2.2 per cent and the MSCI Emerging Market rise of 4.1 per cent. Year to date GIF was up 0.6 per cent vs benchmark (down 1.7 per cent), outperforming the benchmark by 2.3 per cent. GIF annualized performance since December 2017 (when the investment mandate changed from Qatar-focused to Gulf-wide) was up by 18.1 per cent versus S&P GCC Composite Index up by 9.8 per cent annualized and MSCI EM Index down by 0.2 per cent annualized.

Over the last twelve months, the S&P GCC index saw a 2.6 per cent increase, compared to a 9.8 per cent rise for the MSCI EM and 18.4 per cent gain for the MSCI World. GIF also performed well, posting a 10.2 per cent increase, outperforming the benchmark by 7.5 per cent.

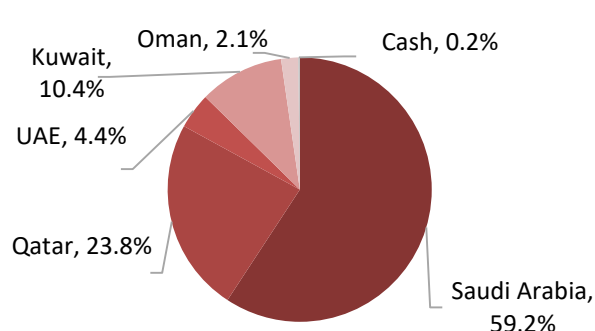
In country terms and relative to the benchmark, GIF remains overweight Qatar (23.8 per cent vs. benchmark weight of 9.4 per cent) and Oman (2.1 per cent vs 1.0 per cent). The Fund also has an overweight to Kuwait (10.4 per cent vs 9.6 per cent) and is further underweight UAE (4.4 per cent vs benchmark weight of 17.5 per cent) as we reduced the Fund's UAE banking exposure. GIF's weighting in Saudi Arabia, GCC's biggest market, is 59.2 per cent vs benchmark weight of 61.8 per cent.

GIF ended 2Q 2024 with 34 holdings: 21 in Saudi Arabia, 6 in Qatar, 3 in the UAE, 3 in Kuwait and 1 in Oman maintaining its concentrated portfolio approach. The cash position was 0.2 per cent as of 30 June 2024.

S&P Country Allocation as of 30 June 2024



GIF Country Allocation as of 30 June 2024



Source: QIC, S&P GCC Factsheet

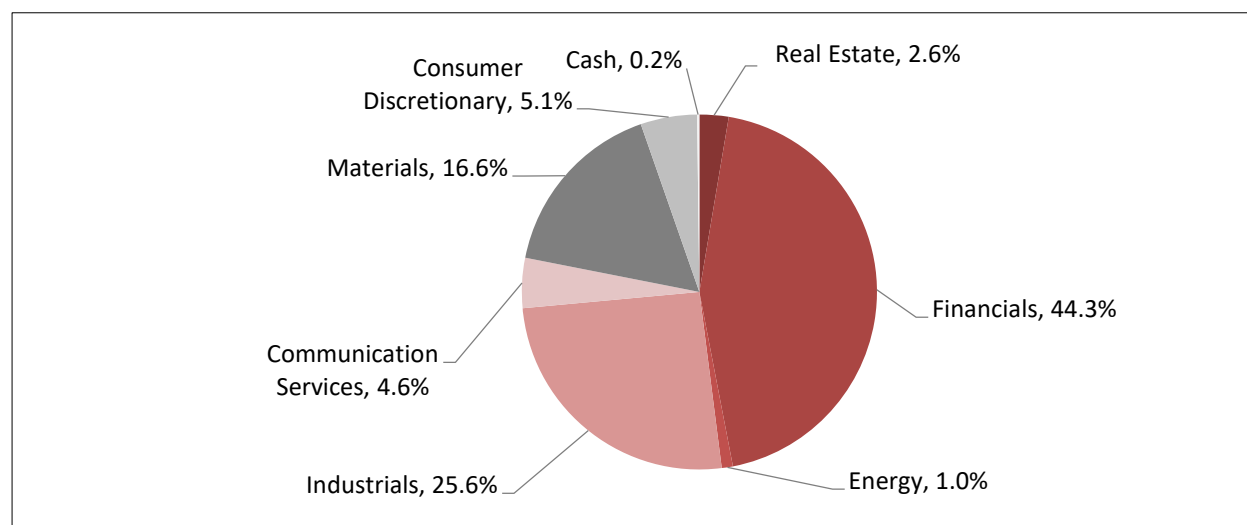
Report of the Investment Manager and Investment Adviser (continued)

Top 10 holdings

Company	Country	Sector
Saudi National Bank	Saudi Arabia	Financials
Qatar National Bank	Qatar	Financials
Qatar Navigation	Qatar	Industrials
Integrated Holding Company	Kuwait	Industrials
Yamama Cement	Saudi Arabia	Materials
Mobile Telecommunication Company	Kuwait	Communication Services
Saudi British Bank	Saudi Arabia	Financials
Saudi Ground Services	Saudi Arabia	Industrials
Qatar Insurance Company	Qatar	Financials
Commercial Bank of Qatar	Qatar	Financials

Source: QIC

Sector Allocation



Over the last twelve months, GIF increased its exposure to materials, financial and communication services sectors on the back of attractive valuation and growth prospects.

The Fund's weight in materials sector increased from 3.0 per cent of NAV to 16.6 per cent of NAV as the sector is well-positioned to benefit from robust domestic growth in Saudi underpinned by favorable demographics. The Fund added Yamama and City Cement among others into the portfolio over the last twelve months. These companies are well-positioned for increase in demand given their utilization capacity potential.

Exposure to the financial sector also increased from 35.0 per cent of NAV to 44.3 per cent of NAV as the Fund introduced companies such as Arab National Bank and The Mediterranean & Gulf Insurance Reinsurance into the portfolio. Additionally, the Fund has also increased exposure in holdings such as Qatar National Bank, Commercial Bank of Qatar, Qatar Insurance Company, Banque Saudi Fransi, Saudi British Bank and Saudi National Bank.

Report of the Investment Manager and Investment Adviser (continued)

The Fund's exposure to the communication services sector increased from 2.6 per cent of NAV to 4.6 per cent of NAV, mainly driven by the addition of Mobile Telecommunication Company into the portfolio.

Conversely, the Fund's exposure to the energy, consumer discretionary, and healthcare sectors decreased significantly. The energy sector's exposure dropped from 7.5 per cent of NAV to 1.0 per cent of NAV, primarily due to reduced holdings in Qatar Gas Transport. In the consumer discretionary sector, exposure decreased from 11.4 per cent of NAV to 5.1 per cent of NAV, as the Fund exited investments in Alamar Foods, Jahez International, Leejam Sports Company, and United Electronics Company. Furthermore, the Fund completely divested from healthcare by selling its holding in Middle East Healthcare (from 5.6 per cent of NAV).

Moreover, the Fund slightly decreased its exposure in industrials (from 27.9 per cent of NAV to 25.6 per cent of NAV), real estate (from 4.8 per cent of NAV to 2.6 per cent of NAV) and utilities (from 0.8 per cent of NAV to nil).

Profile of Top Five Holdings:

Saudi National Bank (7.8 per cent of NAV)

Saudi National Bank (SNB) is Saudi Arabia's largest financial institution and one of its most powerful institutions. It provides a range of conventional and Shariah-compliant personal, business, and private banking solutions to individuals, corporates, and institutional customers. SNB's robust balance sheet, resilient business model, and healthy liquidity position enhance the bank's capability to compete locally and regionally, as well as to enable trade and capital movements between the Kingdom and regional and global markets.

Qatar National Bank (5.9 per cent of NAV)

Qatar National Bank (QNBK) is among the largest financial institution in the Middle East and Africa (MEA) region by market value and c.50 per cent owned by Qatari sovereign. QNBK possesses healthy balance sheet, which coupled with comfortable capital ratios and low asset quality risk make it banking powerhouse in GCC region. The bank's focus remains on lower risk sectors such as sovereign and related entities. Despite challenging market conditions, QNBK's NPL ratio still one of the lowest among peers indicating the quality of the loan book.

Qatar Navigation (5.8 per cent of NAV)

Qatar Navigation (QNNS) is one of the largest and most diversified maritime and logistics companies in the Middle East with a focus on providing marine transport and services, as well as supply chain solutions. Qatar's North Field Expansion plan which is expected to boost LNG production capacity from 77 MTPA to 142 MTPA will create demand for transportation and offshore vessels in the medium to long term. Additionally, a stake in Nakilat (36.3 per cent) is expected to boost the Company's bottom line.

Integrated Holding Company (5.3 per cent of NAV)

Integrated Holding Company (IHC) is headquartered in Kuwait City, and engages in the provision of engineering solutions to the logistics industry. It specializes in total logistics solutions, equipment hiring and leasing, heavy lift services, oil, gas and power (energy) solutions. IHC has significant and increasing presence in Qatar and Saudi Arabia. In Qatar, IHC is an indirect beneficiary of North Field Expansion project due to equipment leasing contracts through the projects' direct contractors. In KSA, IHC will attain growth through the several planned mega-projects.

Report of the Investment Manager and Investment Adviser (continued)

Yamama Cement (5.0 per cent of NAV)

Yamama Cement Company is one of the largest and oldest cement players in the Kingdom of Saudi Arabia (KSA), Yamama's plant located in the central region with capacity of 6.6 mn tons per annum (MTPA) of clinker and 7.0 MTPA of cement grinding. The company is renowned for producing a variety of Portland cement, including ordinary cement, salt-resistant cement and finishing cement. With the strong momentum of contract awards in Saudi Arabia, cement players such as Yamama are well poised to capture this growth.

GCC Outlook:

The GCC region has a positive economic outlook, with real GDP growth projected to rebound to 2.4 per cent in 2024 and rise to 4.9 per cent in 2025. This forecast is driven by substantial GDP increases in the UAE and Saudi Arabia, supported by oil production increases later in 2024 and a global economic recovery. GCC growth is not solely dependent on oil since non-oil sectors are expected to sustain robust growth in the medium term. GCC infrastructure project awards for H1 2024 now stand at USD 104.6 bn.

The IMF expects UAE and Saudi Arabia to enjoy real Non-Oil GDP growth of 4.1 per cent and 3.9 per cent, respectively, in 2024; and 4.2 per cent and 5.3 per cent in 2025. GCC inflation continues to trend downwards, with the IMF forecasting consumer price inflation to fall from 2.2 per cent in 2024 to 2.1 per cent in 2025.

GCC visitor numbers continue to rise. In Q1 2024, Qatar saw a 40 per cent increase in visitors over the last year, reaching 1.6 mn. Saudi welcomed 60 mn tourists in the first half of 2024, a 12 per cent increase over the same period last year. Dubai saw international tourist visitor numbers rise by 9 per cent to 9.3 mn in the first half of the year.

The GCC markets look attractive on the back of increasing benefits of the socio-economic reforms being rolled out in the region the large infrastructure project awards, and undemanding valuations (see table below).

Valuation:

Source: Bloomberg, Market Cap. as of 30 June 2024

Market	Market Cap. US\$ Bn	PE (x)		PB (x)		Div. Yield (%)
		2024E	2025E	2024E	2025E	
Qatar	137	10.91	10.66	1.34	1.27	4.75
Saudi Arabia	2,664	16.82	14.54	2.28	2.16	4.71
Dubai	155	7.73	7.50	1.16	1.07	5.56
Abu Dhabi	694	14.76	14.03	1.87	1.76	3.95
Kuwait	148	12.07	11.76	1.36	1.29	3.30
S&P GCC	3,448	14.31	12.91	1.86	1.75	3.87
MSCI EM	20,785	13.17	11.39	1.70	1.52	2.84
MSCI World	72,829	19.83	17.67	3.21	2.95	1.90

Epicure Managers Qatar Limited
16 October 2024

Qatar Insurance Company S.A.Q.
16 October 2024

Investment Policy

Investment objective

The Company's investment objective is to capture the opportunities for growth offered by the expanding GCC economies by investing, through its wholly owned subsidiary, in listed companies on one of the GCC exchanges or companies soon to be listed on one of the GCC exchanges.

The Company applies a top-down screening process to identify those sectors which should most benefit from sector growth trends. Fundamental industry and company analysis, rather than benchmarking, forms the basis of both stock selection and portfolio construction.

Assets or companies in which the Company can invest

The Company invests in listed companies on any GCC Exchanges in addition to companies soon to be listed. The Company may also invest in listed companies, or pre-IPO companies, in other GCC countries. The Company will also be permitted to invest in companies listed on stock markets not located in the GCC which will have a significant economic exposure to and/or derive a significant amount of their revenues from GCC countries.

Whether investments will be active or passive investments

In the ordinary course of events, the Company is not an activist investor, although the Investment Adviser will seek to engage with investee company management where appropriate.

Holding period for investments

In the normal course of events, the Company expects to be fully invested, although the Company may hold cash reserves pending new IPOs or when it is deemed financially prudent. Although the Company is a long-term financial investor, it will actively manage its portfolio.

Spread of investments and maximum exposure limits

The Company will invest in a portfolio of investee companies. The following investment restrictions are in place to ensure a spread of investments and to ensure that there are maximum exposure limits in place (see investment guidelines under Investing Restrictions).

Policy in relation to gearing and derivatives

Borrowings will be limited, as at the date on which the borrowings are incurred, to 5% of NAV. Borrowings will include any financing element of a swap. The Company will not make use of hedging mechanisms.

The Company may utilise derivative instruments in pursuit of its investment policy subject to:

- such derivative instruments being designed to offer the holder a return linked to the performance of a particular underlying listed equity security;
- a maximum underlying equity exposure limit of 15 per cent of NAV (calculated at the time of investment); and
- a policy of entering into derivative instruments with more than one counterparty in relation to an investment, where possible, to minimise counterparty risk.

Policy in relation to cross-holdings

Cross-holdings in other listed or unlisted investment funds or ETFs that invest in Qatar or other countries in the GCC region will be limited to 10 per cent. of Net Asset Value at any time (calculated at the time of investment).

Investment Policy (continued)

Investing restrictions

The investing restrictions for the Company are as follows:

(i) Foreign ownership restrictions

Investments in most GCC listed companies by persons other than citizens of that specific GCC country have an ownership restriction wherein the law precludes persons other than citizens of that specific GCC country from acquiring a certain proportion of a company's issued share capital. It is possible that the Company may have problems acquiring stock if the foreign ownership interest in one or more stocks reaches the allocated upper limit. This may adversely impact the ability of the Company to invest in certain companies listed on the GCC exchanges.

(ii) Investment guidelines

The Company has established certain investment guidelines. These are as follows (all of which calculated at the time of investment):

- No single investment position in the S&P GCC Composite constituent may exceed the greater of: (i) 15 per cent. of the Net Asset Value of the Company; or (ii) 125 per cent. of the constituent company's index capitalisation divided by the index capitalisation of the S&P GCC Composite Index, as calculated by Bloomberg (or such other source as the Directors and Investment Manager may agree);
- No single investment position in a company which is not a S&P GCC Composite Index constituent may at the time of investment exceed 15 per cent. of the NAV of the Company; and
- No holding may exceed 5 per cent. of the outstanding shares in any one company (including investment in Saudi Arabian listed companies by way of derivative investment in P-Note or Swap structured financial products); and

(iii) Conflicts management

The Investment Manager, the Investment Adviser, their officers and other personnel are involved in other financial, investment or professional activities, which may on occasion give rise to conflicts of interest with the Company. The Investment Manager will have regard to its obligations under the Investment Management Agreement to act in the best interests of the Company, and the Investment Adviser will have regard to its obligations under the Investment Adviser Agreement to act in the best interests of the Company, so far as is practicable having regard to their obligations to other clients, where potential conflicts of interest arise. The Investment Manager and the Investment Adviser will use all reasonable efforts to ensure that the Company has the opportunity to participate in potential investments that each identifies that fall within the investment objective and strategies of the Company. Other than these restrictions set out above, and the requirement to invest in accordance with its investing policy, there are no other investing restrictions.

Returns and distribution policy

The Company's primary investment objective was to achieve capital growth and operate an annual dividend policy to return to shareholders distributions at least equal to reported income for each reporting period.

Life of the Company

The Company did not have a fixed life and the Board considered it desirable that shareholders should have the opportunity to review the future of the Company at appropriate intervals. Consequently, prior to the results of the September tender offer the Company received irrevocable commitments pursuant to the Tender Offer to tender Shares which resulted in the minimum size condition in respect of the Tender Offer (being a post Tender Offer share capital of not less than 38,000,000 Shares) not being met. As a result, the Tender Offer did not proceed in accordance with tender terms and conditions set out in the circular of the Company dated 28 November 2023.

As set out in the Circular, the Directors instead put forward proposals to Shareholders for the Company to be wound up with a view to returning cash to Shareholders or to enter into a solvent formal liquidation.

Investment Policy (continued)

Environmental, social and governance standards

The adoption of environmental, social, and governance (ESG) standards and principles by governments and regulators in the GCC will play a key role in the sustainable economic recovery of the region. It is the ambition of the Fund's Manager to identify and mitigate key risk factors that could violate various ESG related criteria.

The Board and the Manager believe that integrating these considerations into our Investment Policy is in line with the Fund's aim of delivering long-term capital growth to investors. We have always placed a strong importance on corporate governance in our process and are now integrating further social and environmental considerations into our investment process.

As part of the screening, we commit to not invest in companies that have exposures to the following areas:

- Countries facing UN sanctions
- Conventional Weapons and firearms (producer)
- Conventional Weapons and firearms (other)
- Controversial weapons
- Tobacco (producer)
- Adult Entertainment (producer)
- Adult Entertainment (other)
- Gambling (operator)
- Animal Testing
- Thermal Coal

We source the ESG scores from 3rd party providers on a half yearly basis for our investment universe and further screen them by rejecting or minimizing exposures to companies with low scores.

Currently, a challenge facing ESG-concerned GCC investors is the lack of consistent disclosures from corporates on top of the varying regulations and standards in operation globally. The Manager expects that governments in the GCC will seek to improve and standardise disclosures and ESG-related obligations in the coming years. The official multi-year economic and strategic 'visions' in Saudi Arabia, Qatar, Kuwait and the UAE include focus on sustainability, diversification and environmentally friendly practices. We are encouraged to see improvements in corporate sustainability reporting standards with an increased focus of generating annual sustainability reports by companies in the region.

We are already seeing the setting up of national sustainability goals, revamping water security programs, launching diversity initiatives, introducing ESG financial disclosure standards and publishing of ESG guidelines for exchange listings. There has been a shift towards investing in renewable energies, launching green bonds and other green financing initiatives, with a view to facilitating green solutions across a range of sectors. Developments such as these will further assist the Manager to integrate ESG considerations into our investment process.

State of ESG in GCC

Various targets set by the GCC countries are as below (details from APCO-GCC BDI 2022 report):

Saudi Arabia

Saudi plans to reach net zero by 2060. The country is expected to invest heavily in carbon capture and clean hydrogen. It targets to reach net zero through a "Carbon Circular Economy" approach, which advocates "reduce, reuse, recycle and remove".

Investment Policy (continued)

Environmental, social and governance standards (continued)

State of ESG in GCC (continued)

UAE

The UAE committed to achieve net zero by 2050, making it the first nation in the region to do so. The UAE invested in renewable energy ventures worth around USD 16.8 billion in 70 countries with a focus on developing nations. It has also provided more than USD 400 million in aid and soft loans for clean energy projects.

Qatar

Qatar calls for a reduction in carbon emissions to net zero by 2050. It is the world's largest producer of Liquefied Natural Gas (LNG) and aims to expand production to 127 million tonnes annually by 2027. LNG helps tackle climate change globally in weaning off high-polluting fuels like oil and coal.

Kuwait

Kuwait does not have a documented net zero commitment. The country aims to reduce its greenhouse gas emissions by 7.4% by 2035.

Oman

Oman's upstream oil and gas sector is evaluating a target of zero emissions by 2050, according to its Second Nationally Determined Contribution (NDC) report, which was recently submitted to the United Nations Framework Convention on climate change.

Bahrain

Bahrain pledges to reach net zero emissions by 2060. It will adopt a circular carbon economy strengthened by various offsetting schemes including carbon-capture technology and afforestation.

Report of the Directors

The Directors hereby submit their annual report together with the audited financial statements of Gulf Investment Fund plc (the “Company”) for the year ended 30 June 2024.

The Company

The Company is incorporated in the Isle of Man and has been established to invest primarily in quoted equities of Qatar and other Gulf Co-operation Council (GCC) countries. The Company’s investment policy is detailed on pages 16 to 19.

Results and Dividends

The results of the Company for the year and its financial position at the year-end are set out on pages 43 to 47 of the financial statements.

The Directors manage the Company’s affairs to achieve capital growth and the Company has instituted a twice-yearly dividend policy.

In the Circular published by the Company on 25 March 2021 the Board announced the implementation of an enhanced dividend policy targeting an annual dividend equivalent to 4 per cent. of Net Asset Value at the end of the preceding year, to be paid in semi-annual instalments.

The net asset value per share at 30 June 2023 was US\$2.3556 and pursuant to the above stated policy the directors recommend a dividend of 9.42 cents per share in respect of the year ended 30 June 2024 to be paid in two tranches. For the year ended 30 June 2023, the Directors declared a dividend of 8.10 cents per share which was paid in two tranches with US\$1,680,769 (4.05 cents per share) being paid on 20 October 2023 to shareholders on the register as at 15 September 2023 (the “Record Date”) and US\$1,624,180 (4.05 cents per share) being paid on 22 March 2024 to shareholders on the register as at 16 February 2024 (the “Record Date”).

Directors

Details of Board members at the date of this report, together with their biographical details, are set out on page 32.

Director independence and Directors’ and other interests have been detailed in the Directors’ Remuneration Report on pages 36 and 37.

Creditor payment policy

It is the Company’s policy to adhere to the payment terms agreed with individual suppliers and to pay in accordance with its contractual and other legal obligations.

Gearing policy

Borrowings will be limited, as at the date on which the borrowings are incurred, to 5% of NAV (or such other limit as may be approved by the shareholders in general meeting). The Company will not make use of any hedging mechanisms. There were no borrowings during the year (2023: US\$ nil).

Donations

The Company has not made any political or charitable donations during the year (2023: US\$ nil).

Adequacy of the Information supplied to the auditors

The Directors who held office at the date of approval of this Directors’ Report confirm that, so far as each is aware, there is no relevant audit information of which the Company’s auditors are unaware; and each Director has taken all steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company’s auditors are aware of that information.

Report of the Directors (continued)

Non-going concern basis of preparation

These accounts have been prepared on a basis other than going concern as prior to the results of the September tender offer the Company received irrevocable commitments pursuant to the Tender Offer to tender Shares which resulted in the minimum size condition in respect of the Tender Offer (being a post Tender Offer share capital of not less than 38,000,000 Shares) not being met. As a result, the Tender Offer did not proceed in accordance with tender terms and conditions set out in the circular of the Company dated 28 November 2023.

As set out in the Circular, the Directors instead put forward proposals to Shareholders for the Company to be wound up with a view to returning cash to Shareholders or to enter into a solvent formal liquidation.

Independent Auditors

KPMG Audit LLC has expressed its willingness to continue in office in accordance with Section 12 (2) of the Companies Acts 1931 to 2004.

Annual general meeting

The Annual General Meeting of the Company will be held later in the year at the Company's registered office.

A copy of the notice of Annual General Meeting will be a separate document to this Annual Report. As well as the business normally conducted at such a meeting, Shareholders will be asked to renew the authority to allow the Company to continue with share buy-backs.

The notice of the Annual General Meeting and the Annual Report will be available at www.gulfinvestmentfundplc.com.

Corporate governance

Full details are given in the Corporate Governance Report on pages 23 to 31 which forms part of the Report of the Directors.

Substantial shareholdings

As at the date of publication of this annual report, the Company had been notified, or the Company is aware of the following significant holdings in its Share Capital.

	Ordinary Shares
Name	%
Qatar Insurance Company S.A.Q.	44.47
City of London Investment Management Co (London)	42.97
Hargreaves Lansdown Asset Management (Bristol)	3.69
Interactive Investor (Manchester)	3.05
A J Bell Securities (Tunbridge Wells)	1.17
Clearstream Banking	0.79

Report of the Directors (continued)

Substantial shareholdings (continued)

The above percentages are calculated by applying the shareholdings as notified to the Company or the Company's awareness to the issued Ordinary Share Capital as at 30 June 2024.

On behalf of the Board

Anderson Whamond

Chairman

16 October 2024

Exchange House

54-62 Athol Street

Douglas

Isle of Man

IM1 1JD

Corporate Governance Report

Compliance with Companies Acts

As an Isle of Man incorporated company, the Company's primary obligation is to comply with the Isle of Man Companies Acts 1931 to 2004. The Board confirms that the Company is in compliance with the relevant provisions of the Companies Acts.

Compliance with the Association of Investment Companies (AIC) Code of Corporate Governance

The Company is committed to high standards of corporate governance. The Board is accountable to the Company's shareholders for good governance and this statement describes how the Company applies the principles identified in the UK Corporate Governance Code which is available on the Financial Reporting Council's website: www.frc.org.uk.

The Board of the Company has considered the principles and provisions AIC Code of Corporate Governance as published in February 2019 (the AIC Code). The AIC Code addresses the principles and provisions set out in the UK Corporate Governance Code, as well as setting out additional principles and recommendations on issues that are of specific relevance to the Company. The AIC Code is available on the AIC's website: www.theaic.co.uk.

The Board considers that reporting against the principles and recommendations of the AIC Code, which has been endorsed by the FRC, will provide better information to shareholders.

The Company has complied with the recommendations of the AIC Code and the relevant provisions of the UK Corporate Governance Code.

The UK Corporate Governance Code includes provisions relating to:

- the role of the chief executive
- executive directors' remuneration
- the need for an internal audit function
- Interaction with the workforce

For the reasons set out in the AIC Guide, and as explained in the UK Corporate Governance Code, the Board considers these provisions are not relevant to the position of the Company, being an externally managed investment company. All of the Company's day-to-day management and administrative functions, with the exception of portfolio management, risk management and service provider performance management, are outsourced to third parties. As a result, the Company has no executive directors, employees or internal operations. The Company has therefore not reported further in respect of these provisions.

The Board has considered principal and emerging risks and in doing so has identified no emerging risks to be identified.

Directors

The Directors are responsible for the determination of the Company's investment policy and strategy and have overall responsibility for the Company's activities including the review of the investment activity and performance.

All the Directors are non-executive. The Board considers each of the Directors to be independent of, and free of any material relationship with, the Investment Manager and Investment Adviser.

The Board of Directors delegates to the Investment Manager through the Investment Management Agreement the responsibility for the management of the Company's assets in GCC securities in accordance with the company's investment policy and for retaining the services of the Investment Adviser.

The Articles of Association require that all Directors submit themselves for election by shareholders at the first opportunity following their appointment and shall not remain in office longer than three years since their last election or re-election without submitting themselves for re-election.

Corporate Governance Report (continued)

The Board meets formally at least 4 times a year and between these meetings there is regular contact with the Investment Manager. Other meetings are arranged as necessary. The Board considers that it meets regularly enough to discharge its duties effectively. The Board ensures that at all times it conducts its business with the interests of all shareholders in mind and in accordance with Directors' duties. Directors receive the relevant briefing papers in advance of Board and Board Committee meetings, so that should they be unable to attend a meeting they are able to provide their comments to the Chairman of the Board or Committee as appropriate. The Board meeting papers are the key source of regular information for the Board, the contents of which are determined by the Board and contain sufficient information on the financial condition of the Company. Key representatives of the Investment Manager attend each Board meeting. All Board and Board Committee meetings are formally minuted.

Board composition and succession plan

Objectives of Plan

- To ensure that the Board is composed of persons who collectively are fit and proper to direct the Company's business with prudence, integrity and professional skills.
- To define the Board Composition and Succession Policy, which guides the size, shape and constitution of the Board and the identification of suitable candidates for appointment to the Board.

Methodology

The Board is conscious of the need to ensure that proper processes are in place to deal with succession issues and the Nomination Committee assists the Board in the Board selection process, which involves the use of a Board skills matrix.

The matrix incorporates the following elements: finance, accounting and operations; familiarity with the regions into which the Company invests; diversity (gender, residency, cultural background); Shareholder perspectives; investment management; multijurisdictional compliance and risk management. In adopting the matrix, the Nomination Committee acknowledges that it is an iterative document and will be reviewed and revised periodically to meet the Company's on-going needs.

The Nomination Committee monitors the composition of the Board and makes recommendations to the Board about appointments to the Board and its Committees.

Directors may be appointed by the Board, in which case they are required to seek election at the first AGM following their appointment and triennially thereafter. Directors who are not regarded as independent are required to seek re-election annually. In making an appointment the Board shall have regard to the Board skills matrix.

A Director's formal letter of appointment sets out, amongst other things, the following requirements:

- bringing independent judgment to bear on issues of strategy, performance, resources, key appointments and standards of conduct and the importance of remaining free from any business or other relationship that could materially interfere with independent judgement;
- having an understanding of the Company's affairs and its position in the industry in which it operates;
- keeping abreast of and complying with the legislative and broader responsibilities of a Director of a company whose shares are traded on the London Stock Exchange;
- allocating sufficient time to meet the requirements of the role, including preparation for Board meetings; and
- disclosing to the Board as soon as possible any potential conflicts of interest.

Corporate Governance Report (continued)

Board composition and succession plan (continued)

Methodology (continued)

The Board authorises the Nomination Committee to:

- recommend to the Board, from time to time, changes that the Committee believes to be desirable to the size and composition of the Board;
- recommend individuals for nomination as members of the Board;
- review and recommend the process for the election of the Chairman of the Board, when appropriate; and
- review on an on-going basis succession planning for the Chairman of the Board and make recommendations to the Board as appropriate.

The Plan will be reviewed by the Board annually and at such other times as circumstances may require (e.g. a major corporate development or an unexpected resignation from the Board). The Plan may be amended or varied in relation to individual circumstances at the Board's discretion.

Board Committees

The Board has established the following committees to oversee important issues of policy and maintain oversight outside the main Board meetings:

- Audit Committee
- Remuneration Committee
- Nomination Committee
- Management Engagement Committee

Throughout the year the Chairman of each committee provided the Board with a summary of the key issues considered at the meeting of the committees and the minutes of the meetings were circulated to the Board.

The committees operate within defined terms of reference. They are authorised to engage the services of external advisers as they deem necessary in the furtherance of their duties, at the Company's expense.

Audit Committee

The Board has established an Audit Committee made up of at least two members and comprises, Anderson Whamond, David Humbles and Patrick Grant. The Audit Committee is responsible for, inter alia, ensuring that the financial performance of the Company is properly reported on and monitored. The Audit Committee is chaired by David Humbles. The Audit Committee normally meets at least twice a year when the Company's interim and final reports to shareholders are to be considered by the Board but meetings can be held more frequently if the Audit Committee members deem it necessary or if requested by the Company's auditors. The Audit Committee will, amongst other things, review the annual and interim accounts, results announcements, internal control systems and procedures, preparing a note in respect of related party transactions and reviewing any declarations of interest notified to the Committee by the Board each on six monthly basis, review and make recommendations on the appointment, resignation or dismissal of the Company's auditors and accounting policies of the Company. The Company's auditors are advised of the timing of the meetings to consider the annual and interim accounts and the auditors shall be asked to attend the Audit Committee meeting where the annual audited accounts are to be considered. The Audit Committee Chairman shall report formally to the Board on its proceedings after each meeting and compile a report to shareholders on its activities to be included in the Company's annual report. At least once a year, the Audit Committee will review its performance, constitution and terms of reference to ensure that it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

Corporate Governance Report (continued)

Audit Committee (continued)

The terms of reference for the Audit Committee are available on the Company's website www.gulfinvestmentfundplc.com.

Significant Issues

During its review of the Company's financial statements for the year ended 30 June 2024, the Audit Committee considered the following significant issue as communicated by the auditor during their reporting:

Valuation and existence of investment in subsidiary

The valuation of the investment in subsidiary, including valuation and existence of the portfolio of investments held by the subsidiary, is undertaken in accordance with the accounting policies, disclosed in Notes 1(a) and 1(b) to the financial statements. All underlying investments are considered liquid and priced based on quoted prices in active markets and have been categorised as Level 1 or level 2 within the IFRS 13 fair value hierarchy. The underlying portfolio is reviewed and verified by the Manager on a regular basis and management accounts including a full portfolio listing are prepared each month and circulated to the Board. An independent custodian, HSBC Bank Middle East Limited, are used to hold the assets of the underlying investment portfolio. The underlying investment portfolio is reconciled regularly by the Manager and a reconciliation is also reviewed by the Auditor.

Remuneration Committee

The Company has established a Remuneration Committee. The Remuneration Committee is made up of at least two non-executive Directors who are identified by the Board as being independent. Its members are Patrick Grant (Chairman), Anderson Whamond, and David Humbles. The Remuneration Committee normally meets at least once a year and at such other times as the Chairman of the Remuneration Committee shall require. The Remuneration Committee reviews the performance of the Directors and sets the scale and structure of their remuneration and the basis of their letters of appointment with due regard to the interests of shareholders. In determining the remuneration of Directors, the Remuneration Committee seeks to enable the Company to attract and retain Directors of the highest calibre. No Director is permitted to participate in any discussion of decisions concerning their own remuneration. The Remuneration Committee reviews at least once a year its own performance, constitutions and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

The terms of reference for the Remuneration Committee are available on the Company's website www.gulfinvestmentfundplc.com.

Nomination Committee

The Company has established a Nomination Committee which shall be made up of at least two members and which shall comprise all independent non-executive Directors. The Nomination Committee comprises Anderson Whamond (Chairman), David Humbles and Patrick Grant. The Nomination Committee meets at least once a year prior to the first quarterly Board meeting and at such other times as the Chairman of the committee shall require. The Nomination Committee is responsible for ensuring that the Board members have the range of skills and qualities to meet its principal responsibilities in a way which ensures that the interests of shareholders are protected and promoted and regularly review the structure, size and composition of the Board. The Nomination Committee shall, at least once a year, review its own performance, constitution and terms of reference to ensure that it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

Corporate Governance Report (continued)

Nomination Committee (continued)

The Nomination Committee will assess potential candidates on merit against a range of criteria including experience, knowledge, professional skills and personal qualities as well as independence, if this is required for the role.

Candidates' ability to commit sufficient time to the business of the Company is also key, particularly in respect of the appointment of the Chairman. The Chairman of the Nomination Committee is primarily responsible for interviewing suitable candidates and a recommendation will be made to the Board for final approval.

Management Engagement Committee

The Company has established a Management Engagement Committee which is made up of at least two members who are independent non-executive Directors. The Management Engagement Committee members are Patrick Grant (Chairman), Anderson Whamond and David Humbles. The Management Engagement Committee will meet at least quarterly and is responsible for reviewing the performance of the Investment Manager and other service providers, to ensure that the Company's management contract is competitive and reasonable for the shareholders and to review and make recommendations to the Board on any proposed amendment to or material breach of the management contract and contracts with other service providers.

Board Attendance

The number of formal meetings during the year of the Board, and its Committees, and the attendance of the individual Directors at those meetings, is shown in the following table:

	Board	Audit Committee	Remuneration Committee	Nomination Committee	Management Engagement Committee
Total number of meetings in year	8	6	1	1	4
	Meetings Attended (entitled to attend)				
Anderson Whamond (Chairman and Chairman of Nomination Committee)	8 (8)	6 (6)	1 (1)	1 (1)	4 (4)
Neil Benedict (Chairman of Remuneration Committee and Chairman of Management Engagement Committee)	4 (4)	3 (3)	0 (0)	1 (1)	2 (2)
David Humbles (chairman of Audit Committee)	8 (8)	6 (6)	1 (1)	1 (1)	4 (4)
Patrick Grant	6 (6)	4 (4)	1 (1)	1 (1)	3 (3)

The Annual General Meeting was held on 23 December 2023.

Internal Control

The Board is responsible for the Company's system of internal control and for reviewing its effectiveness. Its review takes place at least once a year. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The Board also determines the nature and extent of any risks it is willing to take in order to achieve its strategic objectives.

Corporate Governance Report (continued)

Internal Control (continued)

The Board, assisted by the Investment Manager and Investment Adviser, has undertaken regular risk and controls assessments. The business risks have been analysed and recorded in a risk and internal controls report which is regularly reviewed. The Board has reviewed the need for an internal audit function. The Board has decided that the systems and procedures employed by the Investment Manager and Investment Adviser, including its internal audit function provide sufficient assurance that a sound system of internal control, which safeguards shareholders' investments and the Company's assets, is maintained. An internal audit function, specific to the Company, is therefore considered unnecessary.

The Board confirms that there is an on-going process for identifying, evaluating and managing the Company's principal business and operational risks that have been in place for the year ended 30 June 2024 and up to the date of approval of the annual report and financial statements.

Accountability and Relationship with the Investment Manager, the Custodian and the Administrator

The Statement of Directors' Responsibilities is set out on page 33.

The Board has delegated contractually to external third parties, including the Investment Manager, the Investment Adviser, the Custodian and the Administrator, the management of the investment portfolio, the custodial services (which include the safeguarding of the assets), the day-to-day accounting, company secretarial and administration requirements. Each of these contracts was entered into after full and proper consideration by the Board of the quality and cost of the services provided, including the control systems in operation in so far as they relate to the affairs of the Company.

The Investment Manager, the Investment Adviser and the Administrator ensure that all Directors receive, in a timely manner, all relevant management, regulatory and financial information. Representatives of the Investment Manager and the Administrator attend each Board meeting enabling the Directors to probe further on matters of concern.

Continued Appointment of the Investment Manager

The Board considers the arrangements for the provision of investment management and other services to the Company on an on-going basis. The Board reviews investment performance at each Board meeting and a formal review of the Investment Manager (and Investment Adviser) is conducted annually. As a result of their annual review, NAV performance has been found to be satisfactory and it is the opinion of the Directors that the continued appointment of the current Investment Manager (and Investment Adviser) on the terms agreed is in the interests of the Company's shareholders as a whole.

Relations with shareholders

The Chairman is responsible for ensuring that all Directors are made aware of shareholders' concerns. The shareholder profile of the Company is regularly monitored and the Board liaises with the Investment Manager to canvass shareholder opinion and communicate views to shareholders. The Company is concerned to provide the maximum opportunity for dialogue between the Company and shareholders. It is believed that shareholders have proper access to the Investment Manager at any time and to the Board if they so wish. All shareholders are encouraged to attend annual general meetings. Together with the Investment Manager and Investment Adviser, regular investor presentations are held to promote a wider following for the Company.

Viability statement

The Board makes an assessment of the longer-term prospects of the Company beyond the timeframe envisaged under the going concern basis of accounting having regard to the Company's current position and the principal risks it faces.

Corporate Governance Report (continued)

Viability statement (continued)

The Board does this by performing robust risk assessments using a detailed risk matrix at each of its scheduled audit committee meetings.

Up until the recent tender offer result the Company was a long-term investment vehicle and the Directors, therefore, believed that it was appropriate to assess its viability over a long-term horizon. The Board considered that assessing the Company's prospects over a period of five years was appropriate given the nature of the Company and the inherent uncertainties of looking out over a longer time period. The Directors believed that a five-year period appropriately reflected the long term strategy of the Company and over which, in the absence of any adverse change to the regulatory environment, they did not expect there to be any significant change to the current principal risks and to the adequacy of the mitigating controls in place. In light of the recent tender offer the Board has assessed the time necessary for the orderly wind up of the Company and distribution of liquidated assets to shareholders. Owing to the liquidity of the underlying investments the Board believes this will occur in a relatively short period of time after the Extraordinary General Meeting.

However, because of the September tender offer, where the minimum size condition was breached, the Directors took the decision to put forward proposals to Shareholders for the Company to be wound up with a view to returning cash to Shareholders or to enter a solvent formal liquidation. This will be voted on at the Extraordinary General Meeting to be held on 29 October 2024.

Promoting the Company's Success

In accordance with corporate governance best practice, the Board is now required to describe to the Company's shareholders how the Directors have discharged their duties and responsibilities over the course of the financial year following the guidelines set out in the UK under section 172 (1) of the Companies Act 2006 (the "s172 Statement") as it applied for the company. This Statement, from 'Promoting the Success of the Company' to "Long Term Investment" on page 30 provides an explanation of how the Directors have promoted the success of the Company for the benefit of its members as a whole, taking into account the likely long-term consequences of decisions, the need to foster relationships with all stakeholders and the impact of the Company's operations on the environment.

The purpose of the Company is to act as a vehicle to provide, over time, financial returns (both income and capital) to its shareholders.

The Company's Investment Objective is disclosed on page 5. The activities of the Company are overseen by the Board of Directors of the Company. The Board's philosophy is that the Company should operate in a transparent culture where all parties are treated with respect and provided with the opportunity to offer practical challenge and participate in positive debate which is focused on the aim of achieving the expectations of shareholders and other stakeholders alike. The Board reviews the culture and manner in which the Investment Adviser operates at its regular meetings and receives regular reporting and feedback from the other key service providers.

The Company is a long-term investment vehicle, with a recommended holding period of five or more years. It is externally managed, has no employees, and is overseen by an independent non-executive board of directors. Your Company's Board of Directors sets the investment mandate, monitors the performance of all service providers (including the Investment Adviser) and is responsible for reviewing strategy on a regular basis. All this is done with the aim of preserving and, indeed, enhancing shareholder value over the longer term.

Corporate Governance Report (continued)

Shareholder Engagement

The following table describes some of the ways we engage with our shareholders:

AGM	The AGM provides an opportunity for the Directors to engage with shareholders, answer their questions and meet them informally. The next AGM will take place later in the year in the Isle of Man. We encourage shareholders to lodge their vote by proxy on all the resolutions put forward.
Annual report	We publish a full annual report each year that contains a strategic report, governance section, financial statements and additional information. The report is available online and in paper format.
Company announcement	We issue announcements for all substantive news relating to the Company. You can find these announcements on the website.
Results announcement	We release a full set of financial results at the half year and full year stage. Updated net asset value figures are announced on a weekly basis.
Website	Our website contains a range of information on the Company. Details of financial results, the investment process and Investment Manager together with Company announcements and contact details can be found here: www.gulfinvestmentfundplc.com
Investor relations	The Management Engagement Committee evaluates the level and effectiveness of the handling of investor relations.
Quarterly reports	The investment manager produces in depth quarterly investment reports to the market – these can also be found on the Company's website.

Other Service Providers

The other key stakeholder group is that of the Company's third-party service providers. The Board is responsible for selecting the most appropriate outsourced service providers and monitoring the relationships with these suppliers regularly in order to ensure a constructive working relationship. Our service providers look to the Company to provide them with a clear understanding of the Company's needs in order that those requirements can be delivered efficiently and fairly. The Board, via the Management Engagement Committee, ensures that the arrangements with service providers are reviewed at least annually in detail. The aim is to ensure that contractual arrangements remain in line with best practice, services being offered meet the requirements and needs of the Company and performance is in line with the expectations of the Board, Manager, Investment Manager and other relevant stakeholders. Reviews include those of the Company's custodian, share registrar, broker and auditor.

Principal Decisions

Pursuant to the Board's aim of promoting the long-term success of the Company, the following principal decisions have been taken during the year:

Portfolio

The report of the Investment Manager and Investment Adviser on pages 7 to 15 details the key investment decisions taken during the year and subsequently. The Investment Manager has continued to monitor the investment portfolio throughout the year under the supervision of the Board.

Corporate Governance Report (continued)

ESG

As highlighted on page 18, the Board is responsible for overseeing the work of the Investment Manager and this is not limited solely to the investment performance of the portfolio companies. The Board also has regard for environmental, social and governance matters that subsist within the portfolio companies.

Audit

KPMG Audit LLC was re-appointed as auditor at the last AGM on 22 December 2023.

Long Term Investment

The Investment Manager's investment process seeks to outperform over the longer term. The Board has in place the necessary procedures and processes to continue to promote the long-term success of the Company. The Board will continue to monitor, evaluate and seek to improve these processes as the Company continues to grow over time, to ensure that the investment proposition is delivered to shareholders and other stakeholders in line with their expectations.

Communities and the environment

The Board expects the Manager, supported by its governance function, to engage with investee companies at the appropriate time on ESG matters in line with good stewardship practices.

The Board is conscious of the importance of providing an investment product which meets the needs of its investors, including retail investors and pensioners.

The Board is also conscious of the need to take appropriate account of broader ESG concerns and to act as a good corporate citizen.

On behalf of the Board

Anderson Whamond

Chairman

16 October 2024

Board of Directors

Anderson Whamond (Non-Executive Chairman)

Anderson has over 35 years' experience in the banking and financial services sector. He is a non-executive director of The International Stock Exchange Group Limited, and a non-executive director of the Irish domiciled Magna Umbrella Fund and the OAKS Emerging & Frontier Umbrella Fund. Previously, he was a non-executive director of Cayman Islands-domiciled OCCO Eastern European Fund.

David Humbles (Non-Executive Director)

David Humbles was born in 1960 and is British. He worked in the downstream oil industry for 25 years and relocated to the Isle of Man in 1998 as Director of Total. In 2003, David purchased Abbey Properties Ltd which owns and manages a property complex in the north of the island. David owns Westminster Properties Ltd which manages a large portfolio of residential and commercial properties on the island. David was Managing Director of Oakmayne, a residential developer in London. He has previously served on the board of two AIM listed companies.

Patrick Grant (Non-Executive Director)

Patrick was head of the Middle East region at Schroders for 12 years until 2020. He previously held a similar role at JP Morgan Asset Management for a decade until 2007. His earlier career included working at John Swire and Sons across Asia (including in Bahrain); this followed 6 years as an officer in the British Army (Gurkhas). He has a degree in modern history from Oxford University.

Statement of Directors' responsibilities in respect of the Annual Report and the Financial Statements

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

Company law requires the Directors to prepare Company's financial statements for each financial year. Under the law they have elected to prepare the company financial statements in accordance with International Financial Reporting Standards (IFRSs) and applicable law.

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 for that period. In preparing each of the Company's financial statements, the Directors are required to:

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

The Directors are responsible for keeping 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 Acts 1931 to 2004. 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.

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation governing the preparation and dissemination of financial statements may differ from one jurisdiction to another.

Disclosure Guidance and Transparency Rules responsibility statement

We confirm that to the best of our knowledge:

- the financial statements, prepared in accordance with International Financial Reporting Standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company;
- that in the opinion of the Directors, the Annual Report and Accounts taken as a whole, is fair, balanced and understandable and it provides the information necessary to assess the Company's position, performance, business model and strategy; and
- the Business Review, Report of the Investment Manager and Investment Adviser and the Report of the Directors 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 they face.

On behalf of the Board

Anderson Whamond

Chairman

16 October 2024

Audit Committee Report

An Audit Committee has been established in compliance with the FCA's Disclosure Guidance and Transparency Rule 7.1, the UK Corporate Governance Code and the AIC Code of Corporate Governance consisting of independent Directors. Its authority and duties are clearly defined within its written terms of reference. David Humbles is Chairman of the Audit Committee, which also comprises Mr Anderson Whamond and Mr Patrick Grant.

The Committee meets at least two times a year.

The Committee's responsibilities, which were discharged during the year, include:

- monitoring and reviewing the integrity of the interim and annual financial statements and the internal financial controls;
- reviewing the appropriateness of the Company's accounting policies;
- making recommendations to the Board in relation to the appointment of the external auditors and approving their remuneration and terms of their engagement;
- reviewing the external Auditor's plan for the audit of the Company's financial statements;
- developing and implementing policy on the engagement of the external auditors to supply non-audit services;
- reviewing and monitoring the independence, objectivity and effectiveness of the external auditors;
- reviewing the arrangements in place within the Administrator and Investment Manager/Investment Adviser whereby their staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters insofar as they may affect the Company;
- performing the annual review of the effectiveness of the internal control systems of the Company;
- reviewing the terms of the Investment Management Agreement;
- considering annually whether there is a need for the Company to have its own internal audit function; and
- review the relationship with and the performance of the Custodian, the Administrator and the Registrar.

The Audit Committee does not award any non-audit work. The full Board has to approve any non-audit work and this includes confirmation that in all such work auditor objectivity and independence is safeguarded.

Owing to the nature of the fund's business, with all major functions being outsourced and the absence of employees, the Audit Committee do not feel it is necessary for the Company to have its own internal audit function. This situation is re-evaluated annually.

KPMG Audit LLC was re-appointed as auditor at the last AGM on 22 December 2023. The Audit Committee considered the experience and tenure of the audit partner and staff and the nature and level of services provided. The Audit Committee receives confirmation from the auditor that they have complied with the relevant UK professional and regulatory requirements on independence. The Company's Audit Committee meets representatives of the Administrator, who report as to the proper conduct of the business in accordance with the regulatory environment in which the Company, the Administrator, and the Investment Manager/Adviser operate. The Company's external auditor also attends this Audit Committee meeting at its request and reports if the Company has not kept proper accounting records, or if it has not received all the information and explanations required for its audit. The Audit Committee also approves a policy regarding non-audit services provided by the auditor.

The Audit Committee also monitors the risks to which the Company is exposed, provide policy re: non-audit services from the auditor and makes recommendations as to the mitigation of these risks. This task is facilitated by using an extensive risk matrix that enables the Committee to make a quantitative analysis of the individual risks and to highlight those areas where risk is high or increasing.

This report was reviewed and approved by the Board on 16 October 2024.

David Humbles

Chairman of the Audit Committee
16 October 2024

Management Engagement Committee Report

A Management Engagement Committee has been established in accordance with good corporate governance. Patrick Grant is Chairman of the Committee, which also comprises Anderson Whamond and David Humbles.

The function of the Management Engagement Committee is to monitor the performance of all the Company's service providers and in the particular the performance of the Investment Manager/Investment Adviser.

The performance of the Investment Manager/Investment Adviser is formally reviewed annually at the end of the Company's financial year. The Management Engagement Committee meets quarterly prior to the quarterly Board meetings and the Chairman of the Management Engagement Committee monitors the performance periodically during the intervening periods.

As regards the Investment Manager/Investment Adviser, the Committee:

- monitors and evaluates the investment performance both in absolute terms and also by reference to peer group analysis prepared by the Investment Manager/Adviser and by the Company's broker;
- reviews the performance fee structure to ensure that it does not encourage excessive risk and that it rewards demonstrable superior performance;
- investigates any breaches of agreed investment limits and any deviation from the agreed investment policy and strategy;
- reviews the standard of any other services provided by the Investment Manager;
- evaluates the level and effectiveness of any marketing support provided by the Investment Manager, including but not limited to, their input into quarterly reports, handling investor relations and website monitoring and development;
- assesses the level of fees charged by the Investment Manager and how these fees compare with those charged to peer group companies;
- compares the notice period on the Investment Management Agreement with industry norms;
- considers any other issues on the appointment of the Investment Manager.

As regards the other service providers to the Company, the Committee:

- monitors the terms on which they are retained and compares them to market rates;
- examines the effectiveness of the services provided;
- makes recommendations to the Board where changes are warranted.

At its most recent meeting, the Management Engagement Committee concluded that the performance of the Investment Manager/Investment Adviser had been satisfactory. The Investment Manager had adhered to the investment policy and policy limits.

The Committee was satisfied with the current performance of the Company's other service providers.

Patrick Grant

Chairman of the Management Engagement Committee
16 October 2024

Directors' Remuneration Report

This report meets the relevant rules of the Financial Conduct Authority and describes how the Board has applied the principles relating to Directors' remuneration. An ordinary resolution to receive and approve this report will be put to the shareholders at the forthcoming Annual General Meeting.

Role of the Remuneration Committee

The role and make-up of the Remuneration Committee is more fully discussed on page 26.

The committee held two formal meetings during the year, during which it addressed all the matters under its remit.

Consideration by the Directors of Matters relating to the Directors' remuneration

As the Board is comprised entirely of non-executive Directors the Board as a whole consider the Directors' remuneration but it has appointed its Remuneration Committee to consider matters relating thereto.

Remuneration policy

The Company's Articles of Association limit the basic fees payable to the Directors to £200,000 per annum in aggregate. Subject to this overall limit it is the Company's policy that the fees payable to the Directors should reflect the time spent by the Board on the Company's affairs and the responsibilities borne by the Directors and should be sufficient to enable candidates of high calibre to be recruited. The Directors are also entitled to receive reimbursement of any expenses incurred in relation to their appointment.

The policy is for the Chairman of the Board and Chairman of the Audit Committee to be paid a higher fee than the other Directors in recognition of their more onerous roles and more time spent.

In the year under review the Directors' fees were paid at the following annual rates: the Chairman £35,000, the Chairman of the Audit Committee £26,250, the other Director £24,500.

Directors' and officers' liability insurance cover is in place in respect of the Directors.

Reappointment

It is the Board's policy that non-independent Directors stand for re-election every year and independent Directors stand for re-election every three years.

Directors' fees

The fees expensed (including additional payments) by the Company in respect of each of the Directors who served during the year, and in the previous year, were as follows:

	30 June 2024 £	30 June 2023 £
Anderson Whamond (Chairman)	35,000	35,000
David Humbles (Chairman of Audit Committee)	26,250	26,250
Neil Benedict (Chairman of Remuneration Committee and Management Engagement Committee)*	11,651	24,500
Patrick Grant (Chairman of Remuneration Committee and Management Engagement Committee)**	18,375	-
	91,276	85,750
US\$ charge reflected in the financial statements	128,983	103,374

*Resigned 22 December 2023

**Appointed 1 October 2023

Expenses totalling US\$14,455 (2023: US\$35,498) were incurred by the Directors and reimbursed during the year.

Directors' Remuneration Report (continued)

Directors' fees (continued)

No other remuneration or compensation was paid or payable by the Company during the period to any of the Directors.

Directors' and other interests

None of the Directors had any interest during the year in any material contract for the provision of services which was significant to the business of the Company.

Director holdings in the Company:

	30 June 2024	30 June 2023
Director	Shares	Shares
Anderson Whamond	50,000	50,000
Patrick Grant	26,178	-

For and on behalf of the Board

Patrick Grant

Chairman of the Remuneration Committee
16 October 2024

Report of the Independent Auditors, KPMG Audit LLC, to the members of Gulf Investment Fund plc

Our opinion is unmodified

We have audited the financial statements of Gulf Investment Fund plc (the “Company”), which comprise the statement of financial position as at 30 June 2024, the statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information. These financial statements have not been prepared on the going concern basis for the reason set out in Note 13.1.

In our opinion, the accompanying financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2024 and of the Company's profit for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards; and
- have been properly prepared in accordance with the requirements of the Companies Acts 1931 to 2004.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (“ISAs (UK)”) and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to public interest entities. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Key audit matters: our assessment of the risks of material misstatement

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

	The risk	Our response
Valuation and existence of the Investment at fair value through profit or loss (comprising Investment In subsidiary) (US\$97.6m, 2023: US\$96.1m) Refer to page 26 (Significant Issues considered by the Audit Committee) and note 1 (a) (note relating to investment at fair value through profit or loss, comprising investment in subsidiary) and note 1 (b) (note relating to financial assets at fair value through profit or loss held by the subsidiary, being investments held by the subsidiary).	Incorrect valuation and existence: The investment in subsidiary is stated at fair value of US\$97.6m (2023: US\$96.1m), based on its net asset value, representing 99.7% (2023: 99.0%) of total assets. The underlying portfolio of investments held by the subsidiary is stated at fair value of US\$97.1m (2023: US\$94.6m), representing 99.3% (2023: 97.6%) of the Company's net assets on a look-through basis (by value) and is considered to be the key driver of the results of the Company.	Our procedures Included: Control evaluation: Documenting and assessing the design and implementation of the controls in place to record investment transactions and to value the underlying portfolio of investments held by the subsidiary; Tests of detail: Auditing the accounts of the subsidiary as part of the audit of the Company;

Report of the Independent Auditors, KPMG Audit LLC, to the members of Gulf Investment Fund plc (continued)

The risk	Our response
Regarding the underlying portfolio of investments held by the subsidiary, incorrect asset pricing or a failure to maintain proper title of assets could have a significant impact on the investment portfolio valuation and the return generated for shareholders of the Company. Of the investments held by the subsidiary, a total of US\$66.4m (2023: US\$52.4m) was held via P-Notes; held to obtain exposure to Saudi Arabia, where direct investment in equities is not possible for foreign Investors. Additional risks arise regarding the P-Notes as follows: • they are issued by counterparty financial institutions and therefore are subject to counterparty risk; and • they are classified as level 2 in the fair value hierarchy as there is no quoted price in an active market for the P-Note instrument itself - instead they are priced based on the quoted price of the underlying equity to which they relate.	• Assessing the accounting policies adopted by the subsidiary to ensure these are consistent with the Company's accounting policies. In particular, ensuring that the portfolio of investments held by the subsidiary is stated at fair value and assessing whether the net asset value of the subsidiary represents fair value; • Agreeing the valuation of 100 per cent of investments in the subsidiary's portfolio to externally quoted prices (in the case of P-Notes this represents the quoted price of the underlying equity); • Assessing the credit worthiness of the P-Note issuers by examining their credit ratings and inspecting the P-Note legal instruments to assess whether they provide the full return of the underlying equity; • Agreeing 100 per cent of investment holdings in the subsidiary's portfolio to independently received third party confirmations from investment custodians. Assessing transparency • Consideration of the appropriateness, in accordance with the International Financial Reporting Standards, of the disclosures in respect of the P-Notes and other investments, including their level in the fair value hierarchy.

Report of the Independent Auditors, KPMG Audit LLC, to the members of Gulf Investment Fund plc (continued)

Our application of materiality and an overview of the scope of our audit

Materiality for the financial statements as a whole was set at US\$950,000, determined with reference to a benchmark of total assets of US\$97,888,034, of which it represents approximately 1.0% (2023: 1.0%).

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole. Performance materiality for the Company was set at 75% (2023: 75%) of materiality for the financial statements as a whole, which equates to US\$712,000. We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.

We reported to the Audit Committee any corrected or uncorrected identified misstatements exceeding US\$47,000, in addition to other identified misstatements that warranted reporting on qualitative grounds.

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

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

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

- enquiring of management as to the Company’s policies and procedures to prevent and detect fraud as well as enquiring whether management have knowledge of any actual, suspected or alleged fraud;
- reading minutes of meetings of those charged with governance; and
- using analytical procedures to identify any unusual or unexpected relationships.

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

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing any identified entries to supporting documentation; and
- incorporating an element of unpredictability in our audit procedures.

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

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

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

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

Report of the Independent Auditors, KPMG Audit LLC, to the members of Gulf Investment Fund plc (continued)

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

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

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

Other information

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

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

Disclosures of emerging and principal risks and longer term viability

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

- the directors' confirmation within the Corporate Governance Report (page 23) that they have carried out a robust assessment of the emerging and principal risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity;
- the emerging and principal risks disclosures describing these risks and explaining how they are being managed or mitigated;
- the directors' explanation in the Corporate Governance Report (page 23) as to how they have assessed the prospects of the Company, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

We are also required to review the Corporate Governance Report, set out on page 23 under the Listing Rules. Based on the above procedures, we have concluded that the above disclosures are materially consistent with the financial statements and our audit knowledge.

Corporate governance disclosures

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

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

- the directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy;
- the section of the annual report describing the work of the Audit Committee, including the significant issues that the Audit Committee considered in relation to the financial statements, and how these issues were addressed; and
- the section of the annual report that describes the review of the effectiveness of the Company's risk management and internal control systems.

Report of the Independent Auditors, KPMG Audit LLC, to the members of Gulf Investment Fund plc (continued)

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

We have nothing to report on other matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Acts 1931 to 2004 require us to report to you if, in our opinion:

- proper books of account have not been kept and 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 books of account and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on 33, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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

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

The purpose of this report and restrictions on its use by persons other than the Company's members as a body

This report is made solely to the Company's members, as a body, in accordance with section 15 of the Companies Act 1982. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Edward Houghton

Responsible Individual

For and on behalf of KPMG Audit LLC

Chartered Accountants and Recognised Auditors

Heritage Court

41 Athol Street

Douglas

Isle of Man

IM1 1LA

16 October 2024

Income Statement

	Note	Year ended 30 June 2024 US\$'000	Year ended 30 June 2023 US\$'000
Income			
Net (loss)/income in investment at fair value through profit or loss		(349)	17,060
Dividend received from subsidiary		10,000	-
Interest income on loan		468	206
Total net income		10,119	17,266
Expenses			
Expenses	7	681	810
Total operating expenses		681	810
Profit before tax		9,438	16,456
Income tax expense	9	-	-
Profit for the year		9,438	16,456
Basic earnings per share (cents)	4	23.38	40.14
Diluted earnings per share (cents)	4	23.38	40.14

The Directors consider that all results derive from continuing activities.

The accompanying notes on pages 48 to 62 form an integral part of these financial statements

Statement of Comprehensive Income

	Year ended 30 June 2024 US\$'000	Year ended 30 June 2023 US\$'000
Profit for the year	9,438	16,456
Other comprehensive income	-	-
Items that are or may be reclassified subsequently to profit or loss:		
Currency translation differences	-	-
Total items that are or may be reclassified subsequently to profit or loss	-	-
Other comprehensive income for the year	-	-
Total comprehensive income for the year	9,438	16,456

The accompanying notes on pages 48 to 62 form an integral part of these financial statements

Statement of Financial Position

	Note	At 30 June 2024		At 30 June 2023	
		US\$'000	US\$'000	US\$'000	US\$'000
Assets					
Investment at fair value through profit or loss – comprising:	1(a)				
- equity interest in subsidiary		93,419		93,766	
- loan to subsidiary		<u>4,160</u>		<u>2,320</u>	
			97,579		96,086
Other receivables and prepayments			102		60
Cash and cash equivalents			207		881
Total assets			97,888		97,027
Equity					
Issued share capital	5		389		411
Share premium			-		1,008
Reserves			97,384		95,457
Total equity			97,773		96,876
Current liabilities					
Other payables and accrued expenses	6		115		151
Total current liabilities			115		151
Total equity and liabilities			97,888		97,027

The financial statements were approved by the Directors on 16 October 2024 and signed on their behalf by:

Anderson Whamond
Chairman

David Humbles
Director

The accompanying notes on pages 48 to 62 form an integral part of these financial statements

Statement of Changes in Equity

	Share capital	Share premium	Reserves	Total
	US\$'000	US\$'000	US\$'000	US\$'000
Balance at 1 July 2022	411	-	82,853	83,264
Total comprehensive income for the year				
Profit for the year	-	-	16,456	16,456
Total comprehensive income for the year	-	-	16,456	16,456
Contributions by and distributions to owners				
Dividends paid	-	-	(2,882)	(2,882)
Shares subject to tender offer	(4)	-	(835)	(839)
Tender offer expenses	-	-	(135)	(135)
Proceeds from shares issued	4	1,008	-	1,012
Total contributions by and distributions to owners	-	1,008	(3,852)	(2,844)
Balance at 30 June 2023	411	1,008	95,457	96,876
	Share capital	Share premium	Reserves	Total
	US\$'000	US\$'000	US\$'000	US\$'000
Balance at 1 July 2023	411	1,008	95,457	96,876
Total comprehensive income for the year				
Profit for the year	-	-	9,438	9,438
Total comprehensive income for the year	-	-	9,438	9,438
Contributions by and distributions to owners				
Dividends paid	-	-	(3,305)	(3,305)
Shares subject to tender offer	(26)	(1,914)	(4,061)	(6,001)
Tender offer expenses	-	-	(145)	(145)
Proceeds from shares issued	4	906	-	910
Total contributions by and distributions to owners	(22)	(1,008)	(7,511)	(8,541)
Balance at 30 June 2024	389	-	97,384	97,773

The accompanying notes on pages 48 to 62 form an integral part of these financial statements

Statement of Cash Flows

	Year ended 30 June 2024 US\$'000	Year ended 30 June 2023 US\$'000
Cash flows from operating activities		
Interest income from loan to subsidiary	426	212
Loan to subsidiary	8,161	4,180
Operating expenses paid	(718)	(734)
Net cash generated from operating activities	7,869	3,658
Financing activities		
Dividends paid	(3,305)	(2,882)
Cash used in tender offer	(6,001)	(839)
Tender expenses	(145)	(135)
Proceeds from issue of shares	910	1,012
Net cash used in financing activities	(8,541)	(2,844)
Net decrease in cash and cash equivalents	(672)	814
Effects of exchange rate changes on cash and cash equivalents	(2)	-
Cash and cash equivalents at beginning of the year	881	67
Cash and cash equivalents at end of the year	207	881

The accompanying notes on pages 48 to 62 form an integral part of these financial statements

Notes to the Financial Statements

1(a) Investment at fair value through profit or loss

	30 June 2024 US\$'000	30 June 2023 US\$'000
Equity interest in subsidiary	93,419	93,766
Loan to subsidiary	4,160	2,320
Total investment in subsidiary	97,579	96,086

The Company has one subsidiary, Epicure Qatar Opportunities Holdings Limited ("the Subsidiary"), which holds the portfolio of investments and has the investment management and custodian agreements. The investment in subsidiary is stated at fair value through profit or loss in accordance with the IFRS 10 Investment Entity Consolidation Exception. The fair value of the investment in Subsidiary is based on the year-end net asset value of the Subsidiary as reported by the Administrator. The loan to Subsidiary, with an aggregate principal amount of US\$4,159,606 (2023: US\$2,320,179), is included within this balance. The loan is subject to interest on the aggregate principal amount drawn down from 1 January 2011, at the US prime rate per annum. All loan repayments made by the Subsidiary will first be deducted from the outstanding loan interest before being applied to the principal balance. The loan is secured by fixed and floating charges over the assets of the Subsidiary and is repayable on demand. Additions and disposals regarding the investment in subsidiary are recognised on trade date.

1(b) Financial assets at fair value through profit or loss held by the Subsidiary

The Subsidiary holds a portfolio of quoted equities and P-Notes which are classified as fair value through profit or loss. The fair value for quoted equities is based on the current bid price ruling at the year-end without regard to selling prices. The fair value of P-Notes is based on the quoted year-end bid price of the underlying equity to which they relate. P-Notes are promissory notes issued by certain counterparty banks that are designed to offer the holder a return linked to the performance of a particular underlying equity security or market and used where direct investment in the relevant underlying equity security or market is not possible for regulatory or other reasons. To the extent dividends are received on the securities to which the P-Notes are linked, these are taken to investment income.

At 30 June 2024 the Subsidiary held 26 P-Notes (2023: 23) with a value of US\$66,357,161 (2023: US\$52,441,930), held to obtain exposure to Saudi Arabia.

Purchases and sales of investments are recognised on trade date – the date on which the Company commits to purchase or sell the asset. Investments are initially recorded at fair value, and transaction costs for all financial assets and financial liabilities carried at fair value through profit and loss are expensed as incurred.

Gains and losses (realised and unrealised) arising from changes in the fair value of the financial assets are included in the income statement in the year in which they arise.

Notes to the Financial Statements (continued)

Investments held by Subsidiary

30 June 2024: Financial assets at fair value through profit or loss; all quoted equity securities or P-Notes:

Security name	Number	US\$'000
National Commercial Bank*	790,679	7,631
Qatar National Bank (QNBK QD)	1,399,749	5,616
Qatar Navigation (QNNS QD)	1,742,108	5,463
Integrated Holding Company	3,067,353	5,168
Yamama Cement*	561,475	4,940
Mobile Telecommunications Company KWD*	3,078,520	4,466
Saudi British Bank*	430,769	4,375
Saudi Ground Services*	305,695	4,246
Banque Saudi Fransi*	421,112	3,963
Commercial Bank of Qatar (CBQK QD)	3,059,314	3,596
Yanbu Cement*	486,310	3,565
Seera Group Holdings*	486,800	3,348
Saudi Airlines Catering Co*	91,071	3,025
Qatar Insurance (QATI QD)	5,131,406	2,959
Arab National Bank*	543,600	2,927
City Cement*	516,586	2,721
Arabian Centres Limited*	478,100	2,595
The Mediterranean & Gulf Insurance Reinsurance*	357,400	2,587
Qatar Islamic Bank (QIBK QD)	498,373	2,544
Advanced Petrochemicals*	219,302	2,274
Maharah Human Resources*	1,358,795	2,181
Malath Coop Insurance and Reinsurance*	442,500	2,154
Bank Muscat	3,124,909	2,035
Aramex Co USD*	2,859,000	1,930
Aramex (ARMX)	2,723,787	1,839
Saudi Cement Company*	148,326	1,803
Fawaz Abdulaziz Al*	628,081	1,373
Qatar Insurance USD*	1,968,692	1,135
Arabian Shield Cooperative*	182,100	1,038
Southern Province Cement Co*	94,538	929
Qatar Gas Transport USD*	430,000	548
Beyout Investment Group	322,000	538
Qatar Gas Transport (QGTS QD)	330,000	421
Alef Education Holding	925,000	307
Commercial Bank of Qatar USD*	250,000	294
Saudi Manpower Solns Co*	107,436	252
Agility Global Plc	652,518	210
Rasan Information Tech*	3,150	57
		97,053

*P-notes

Notes to the Financial Statements (continued)

Investments held by Subsidiary

30 June 2023: Financial assets at fair value through profit or loss; all quoted equity securities or P-Notes:

Security name	Number	US\$'000
Qatar Gas Transport (QGTS QD)	6,445,120	7,197
Qatar Navigation (QNNS QD)	2,477,030	7,040
National Commercial Bank	626,357	6,140
Middle East Healthcare*	285,754	5,389
Integrated Holding Company	3,297,916	4,648
Seera Group Holdings*	624,400	4,422
United International Transportation Co*	222,799	4,338
Maharah Human Resources*	263,618	3,952
Company for Co-op Insurance*	105,000	3,882
Emaar Properties Company (EMAAR UH)	2,182,000	3,807
Qatar Islamic Bank (QIBK QD)	770,000	3,745
Saudi Ground Services*	384,395	3,512
Emirates National Bank of Dubai (ENBD UH)	827,000	3,332
Yanbu Cement*	255,506	2,917
Saudi British Bank*	279,000	2,828
Gulf Insurance*	299,099	2,521
Arabian Contracting Services*	52,655	2,497
Banque Saudi Fransi*	225,000	2,497
Qatar National Bank (QNBK QD)	563,000	2,384
United Electronics Company*	116,000	2,268
Qatar Insurance (QATI QD)	3,742,999	2,230
Bawan Company*	195,354	1,881
Leejam Sports Co*	54,628	1,874
Commercial Bank of Qatar (CBQK QD)	1,040,462	1,655
Alamar Foods*	41,450	1,446
Bupa Arabia Co*	27,927	1,375
Riyadh Cables*	76,240	1,328
Jahez International*	5,689	956
Emaar Properties Company USD*	485,000	861
Alkhorayef Water and Power Tech*	17,500	742
Qatar Insurance USD*	750,000	474
Emirates NBD USD Stock*	115,000	463
Jamjoom Pharmaceuticals Factory Company*	867	21
		94,622

*P-notes

1(c) Risks relating to financial instruments

Risks relating to financial instruments comprise market price risk, credit risk, interest rate risk, liquidity risk and foreign currency risk. These are detailed below and in notes 2, 6 and 8.

Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company.

Notes to the Financial Statements (continued)

The carrying amounts of financial assets best represent the maximum credit risk exposure at the statement of financial position date. This relates also to financial assets carried at amortised cost.

At the reporting date, the financial assets exposed to credit risk comprised the following:

	30 June 2024 US\$'000	30 June 2023 US\$'000
Loan to subsidiary	4,160	2,320
Cash and cash equivalents	207	881
Other receivables	64	22
	4,431	3,223

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. Management does not expect any counterparty to fail to meet its obligations and there are no debts past their due dates as at the year-end. All amounts are due within one month of the year end.

Investments held by the subsidiary are held by the Custodian, HSBC Bank (Middle East) Ltd.

P-Notes held by the Company's subsidiary are issued by counterparty financial institutions and therefore the Company is exposed to credit risk in relation to these financial institutions. The value of P-Notes held at the year-end is disclosed in note 1(a). The counterparties are Merrill Lynch International & Co C.V. (guaranteed by Bank of America Corporation), EFG-Hermes MENA Securities Limited (guaranteed by EFG-Hermes Holding S.A.E.) and HSBC Bank Middle East (guaranteed by HSBC Bank plc).

The credit ratings of the financial institutions are as follows:

Merrill Lynch International	A+
Bank of America Corporation	A-
HSBC Bank plc	A+

The ratings for Merrill Lynch and Bank of America are from Standard and Poors and the rating for HSBC is from Fitch.

Notes to the Financial Statements (continued)

1(c) Risks relating to financial instruments (continued)

Credit risk (continued)

EFG Hermes MENA Securities Limited and EFG Hermes Holding S.A.E. do not have a credit rating. However, the Board and Investment Advisor have reviewed their credit worthiness and consider it to be acceptable.

The investments in P-Notes, which are over-the-counter equity linked instruments, expose the Company to the risk that the counterparties to the instruments might default on their obligations to the Company. The Directors consider the risk to be insignificant.

The Subsidiary uses the banking services of HSBC Bank (Middle East) Ltd and Barclays (Isle of Man) PLC. HSBC has a credit rating of A2 assigned by Moody and Barclays has a credit rating of A- from Standard and Poors.

Other receivables principally relate to loan interest receivable from the Subsidiary.

Interest rate risk

The Company's loan to subsidiary bears interest and is stated at fair value, which is considered to be equivalent to cost as the loan is repayable on demand, bears interest at floating rate and there is negligible credit risk. The underlying portfolio held by the Subsidiary comprises equities or equity linked securities. Cash held is invested at short-term market interest rates. As a result, the Company is not subject to fair value interest rate risk due to fluctuations in the prevailing levels of market interest rates. However, it is subject to cash flow risk arising from changes in market interest rates with respect to cash balances held by the Company and the Subsidiary.

The table below summarises the Company's exposure to interest rate risks. It includes the Company's financial assets and liabilities at the earlier of contractual re-pricing or maturity date, measured by the carrying value of assets and liabilities:

30 June 2024	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	Over 5 years	Non- interest bearing	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Financial assets							
Equity interest in subsidiary	-	-	-	-	-	93,419	93,419
Loan to subsidiary	4,160	-	-	-	-	-	4,160
Other receivables and prepayments	-	-	-	-	-	64	64
Cash	207	-	-	-	-	-	207
Total financial assets	4,367	-	-	-	-	93,483	97,850
Financial liabilities							
Other payables and accrued expenses	-	-	-	-	-	115	115
Total financial liabilities	-	-	-	-	-	115	115
Total interest rate sensitivity gap	4,367	-	-	-	-		

Notes to the Financial Statements (continued)

1(c) Risks relating to financial instruments (continued)

Interest rate risk (continued)

30 June 2023	Less than 1 month	1-3 months	3 months to 1 year	1-5 years	Over 5 years	Non- interest bearing	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Financial assets							
Equity interest in subsidiary	-	-	-	-	-	93,766	93,766
Loan to subsidiary	2,320	-	-	-	-	-	2,320
Other receivables and prepayments	-	-	-	-	-	22	22
Cash	881	-	-	-	-	-	881
Total financial assets	3,201	-	-	-	-	93,788	96,989
Financial liabilities							
Other payables and accrued expenses	-	-	-	-	-	151	151
Total financial liabilities	-	-	-	-	-	151	151
Total interest rate sensitivity gap	3,201	-	-	-	-		

All interest received on cash balances are at variable rates. A sensitivity analysis for changes in interest rates on cash balances has not been provided as it is not deemed significant.

2 Fair value hierarchy

IFRS 13 requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The investment in subsidiary held by the Company is classified as level 2 in the fair value hierarchy – being based on the net asset value of the Subsidiary.

All the underlying listed equity investments held by the Subsidiary are classed as level 1 investments. The P-Notes held by the Subsidiary are classed as level 2. The analysis of investments held by the Subsidiary between level 1 and level 2 is as follows:

Financial assets at fair value through profit or loss at 30 June 2024	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000
Assets:				
Equity investments	30,696	-	-	30,696
P-Notes	-	66,357	-	66,357
	30,696	66,357	-	97,053

Notes to the Financial Statements (continued)

2 Fair value hierarchy (continued)

Financial assets at fair value through profit or loss at 30 June 2023	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000
Assets:				
Equity investments	42,180	-	-	42,180
P-Notes	-	52,442	-	52,442
	42,180	52,442	-	94,622

The fair value of other financial instruments both held by the Company and the Subsidiary, including cash and short-term receivables and payables is a reasonable approximation of fair value.

Market price risk

The Company's strategy for the management of investment risk is driven by the Company's investment objective. The main objective of the Company is to capture the opportunities for growth offered by the Gulf Cooperation Council region ("GCC") by investing in GCC countries.

All investments present a risk of loss of capital through movements in market prices. The Investment Manager and Investment Adviser moderate this risk through a careful selection of securities within specified limits. The Investment Manager and the Investment Adviser review the position on a day-to-day basis and the Directors review the position at Board meetings.

The Company's market price risk is managed through the diversification of the underlying investment portfolio held by the Subsidiary. Approximately 99% (2023: 97%) of the net assets attributable to holders of Ordinary Shares is invested in equity securities and P-Notes held by the Subsidiary, on a look through basis.

At 30 June 2024, if the market value of the investment portfolio held by the Subsidiary had increased/decreased by 5% (as per the movement in the SEMGGCPD Index post year-end measured at 3 September 2024) with all other variables held constant, this would have increased/decreased net assets attributable to shareholders by approximately US\$4.85 million (30 June 2023: 1.50%: US\$1.42 million). Market price volatility is expected to increase due to geo-political uncertainty and global inflationary pressures.

3 Net asset value per share

The net asset value per share as at 30 June 2024 is US\$2.5105 per share (30 June 2023: US\$2.3556) based on 38,946,044 (30 June 2023: 41,125,480) Ordinary shares in issue as at that date.

4 Earnings per share

Basic and diluted earnings per share are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Ordinary shares in issue during the year.

	30 June 2024	30 June 2023
Profit attributable to equity holders of the Company (US\$'000)	9,438	16,456
Weighted average number of Ordinary shares in issue (thousands)	40,376	40,993
Basic and diluted earnings per share (cents per share)	23.38	40.14

Notes to the Financial Statements (continued)

5 Share capital

	30 June 2024 US\$'000	30 June 2023 US\$'000
Authorised 500,000,000 Ordinary shares of US\$0.01 each	5,000,000	5,000,000
Issued, called-up and fully-paid:		
38,946,044 (2023:41,125,480) Ordinary shares of US\$0.01 each in issue, with full voting rights	389	411
Nil (2023: Nil) Ordinary shares of US\$0.01 each held in treasury	-	-
Issued share capital	389	411

On 27 October 2023 the Company completed the purchase of 1,397,276 Tendered Shares and on 15 May 2024 the Company completed the purchase of 1,157,160 Tendered Shares. This was in accordance with the Tender Offer launched on 23 November 2020. These Tendered Shares were cancelled. In addition on 12 July 2023 the Company issued 50,000 ordinary shares, on 19 July 2023 the Company issued 50,000 ordinary shares, on 24 July 2023 the Company issued 50,000 ordinary shares, on 31 July 2023 the Company issued 50,000 ordinary shares and on 8 August 2023 the Company issued 175,000 ordinary shares. This was in accordance with the block listing application which became effective on 10 May 2022. The issued share capital is now 38,946,044 shares with no shares held in treasury. As a result, the total number of shares with voting rights is 38,946,044.

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the Company. The Board manages the Company's affairs to achieve Shareholder returns through capital growth rather than income and monitors the achievement of this through growth in net asset value per share.

Capital comprises share capital and reserves. Neither the Company nor the Subsidiary is subject to externally imposed capital requirements.

6 Other payables and accrued expenses

	30 June 2024 US\$'000	30 June 2023 US\$'000
Administration fee payable	41	40
Accruals and sundry creditors	74	111
	115	151

Liquidity risk

The Company manages its liquidity risk by maintaining sufficient cash for operations and the ability to realise market positions. The Company's liquidity position is monitored by the Investment Manager and the Board of Directors.

Notes to the Financial Statements (continued)

6 Other payables and accrued expenses (continued)

Liquidity risk (continued)

The residual undiscounted contractual maturities of financial liabilities are in the table below:

30 June 2024	Less than 1 month US\$'000	1-3 months US\$'000	3 months to 1 year US\$'000	1-5 years US\$'000	Over 5 years US\$'000	No stated maturity US\$'000
Financial liabilities						
Other creditors and accrued expenses	115	-	-	-	-	-
	115	-	-	-	-	-
30 June 2023	Less than 1 month US\$'000	1-3 months US\$'000	3 months to 1 year US\$'000	1-5 years US\$'000	Over 5 years US\$'000	No stated maturity US\$'000
Financial liabilities						
Other creditors and accrued expenses	151	-	-	-	-	-
	151	-	-	-	-	-

7 Expenses

	30 June 2024 US\$'000	30 June 2023 US\$'000
Administrator and Registrar's fees (see below)	162	160
Audit fees	60	83
Custodian fees (see below)	3	3
Directors' fees and expenses*	129	139
Directors' insurance cover	40	38
Broker fees	52	46
Other expenses	235	341
	681	810

*Directors fees amounted to US\$114,528 and Directors expenses were US\$14,455.

Investment management fees and custodian fees borne by the Subsidiary were US\$790,718 and US\$75,426 respectively (2023: US\$691,179 and US\$90,904 respectively).

Investment manager's fees

Annual fees

The Investment Manager is entitled to an annual management fee of 0.80% of the Net Asset Value of the Company effective from 1 January 2021, calculated monthly and payable quarterly in arrears.

Annual management fees for the year ended 30 June 2024 amounted to US\$790,718 (30 June 2023: US\$691,179) and the amount accrued but not paid at the year-end was US\$207,259 (30 June 2023: US\$185,131). This fee is borne by the Subsidiary.

Notes to the Financial Statements (continued)

7 Expenses (continued)

Administrator and Registrar fees

The Administrator is entitled to receive a fee of 12.5 basis points per annum of the net asset value of the Company between US\$0 and US\$100 million, 10 basis points of the net asset value of the Company above US\$100 million.

This is subject to a minimum monthly fee of US\$12,000, payable quarterly in arrears. The Administrator receives an additional fee of US\$1,200 per month for providing monthly valuation data to the Association of Investment Companies.

The Administrator assists in the preparation of the financial statements of the Company and provides general secretarial services.

The Administrator may utilise the services of a CREST accredited registrar for the purposes of settling share transactions through CREST. The cost of this service will be borne by the Company. It is anticipated that the cost will be in the region of £12,000 per annum subject to the number of CREST settled transactions undertaken.

Administration fees paid for the year ended 30 June 2024 amounted to US\$161,709 and US\$17,094 for additional services (30 June 2023: US\$159,975 and US\$17,047 respectively). Outstanding Administration fees at the year-end amounted to US\$40,787 (30 June 2023: US\$39,996).

Custodian fees

The Custodian is entitled to receive fees of US\$7,200 per annum and US\$25 per processed transaction.

In addition the Custodian is entitled to receive fees of 8 basis points per annum in respect of Qatari securities held by the Subsidiary and 10 basis points per annum in respect of non-Qatari, GCC securities held by the Subsidiary and \$45 per settled transaction (Qatar)/\$50 per settled transaction (GCC excluding Qatar).

Custodian and sub-custodian fees for the year ended 30 June 2024 amounted to US\$78,376 (30 June 2023: US\$94,054) and the amount accrued but not paid at the year-end was US\$5,167 (30 June 2023: US\$9,091). This fee is borne by the Subsidiary.

8 Foreign currency translation

The US Dollar is the currency in which the financial statements are presented ("the presentational currency") as reporting to shareholders is in US Dollars and the shares are quoted in US Dollars. The US Dollar is also the functional currency.

Monetary assets and liabilities denominated in foreign currencies as at the date of these financial statements are translated to US Dollar at exchange rates prevailing on that date. Income and expenses are translated into US Dollar based on exchange rates on the date of the transaction. All resulting exchange differences are recognised in the income statement at the exchange rate prevailing on the statement of financial position date. Items of income and expense are translated at exchange rates on the date of the relevant transactions or an average rate.

Foreign exchange risk

The Company's operations, via the Subsidiary, are conducted in jurisdictions which generate revenue, expenses, assets and liabilities in currencies other than US Dollar. As a result, the Company is subject to the effects of exchange rate fluctuations with respect to these currencies. The Company's policy is not to enter into any currency hedging transactions.

Notes to the Financial Statements (continued)

8 Foreign currency translation (continued)

Foreign exchange risk (continued)

At the reporting date the Company had the following exposure, including assets and liabilities held by the Subsidiary:

Currency	30 June 2024	30 June 2023
	%	%
US Dollar	68.25	61.64
Qatari Riyal	21.11	25.89
Kuwaiti Dinar	5.84	4.80
UAE Dirham	2.44	7.40
Omani Riyal	2.08	-
Saudi Arabia Riyal	0.23	0.25
British Pound	0.05	0.02

The following table sets out the Company's total exposure to foreign currency risk and the net exposure to foreign currencies of the monetary assets and liabilities, including those held by the Subsidiary:

30 June 2024	Assets	Liabilities	Net exposure
	US\$'000	US\$'000	US\$'000
US Dollar	67,069	(336)	66,733
Qatari Riyal	20,637	-	20,637
Kuwaiti Dinar	5,708	-	5,708
UAE Dirham	2,386	-	2,386
Omani Riyal	2,035	-	2,035
Saudi Arabia Riyal	224	-	224
British Pound	53	(3)	50
	98,112	(339)	97,773
30 June 2023	Assets	Liabilities	Net exposure
	US\$'000	US\$'000	US\$'000
US Dollar	60,026	(316)	59,710
Qatari Riyal	25,084	-	25,085
UAE Dirham	7,174	-	7,174
Kuwait Dinar	4,649	-	4,649
British Pound	57	(39)	18
Saudi Arabian Riyal	239	-	239
Omani Riyal	1	-	1
	97,230	(355)	96,876

Foreign currency sensitivity risk (Company)

At 30 June 2024 had the US Dollar weakened/strengthened by 1% (2023: weakened/strengthened 1%) in relation to all currencies, with all other variables held constant, net assets attributable to equity holders of the Company would have increased/decreased by the amounts shown below:

Foreign currency sensitivity risk on a look through basis, including the Subsidiary.

30 June 2024	US\$'000
British Pound	-
Kuwaiti Dinar	57
UAE Dirham	24
Omani Riyal	20
Saudi Arabia Riyal	2
Effect on net assets	103

Notes to the Financial Statements (continued)

8 Foreign currency translation (continued)

Foreign currency sensitivity risk on a look through basis, including the Subsidiary (continued)

30 June 2023	US\$'000
British Pound	-
Kuwaiti Dinar	46
UAE Dirham	72
Saudi Arabia Riyal	2
Effect on net assets	120

The Qatari Riyal is pegged to the US Dollar.

9 Taxation

Isle of Man taxation

The Company is resident for taxation purposes in the Isle of Man by virtue of being incorporated in the Isle of Man and is subject to taxation at the rate of 0% in the Isle of Man.

10 Related party transactions

Parties are considered to be related if one party has the ability to control the other party or to exercise significant influence over the other party in making financial or operational decisions.

The Investment Adviser is Qatar Insurance Company S.A.Q. The Subsidiary holds shares in Qatar Insurance Company S.A.Q. (see note 1(b)). The Investment Adviser's fees are paid by the Investment Manager.

The Investment Manager, Epicure Managers Qatar Limited, is a related party by virtue of its ability to make operational decisions for the Company (via the Subsidiary) and through common Directors. Fees paid and payable to the Investment Manager are disclosed in notes 6 and 7.

The Directors are defined as key management personnel and their fees are deemed as related party transactions.

Epicure Managers Qatar Limited is a wholly owned subsidiary of the Investment Adviser, Qatar Insurance Company S.A.Q. A dividend of USD 10 million was declared by the subsidiary during the year and the balance due was added to the intercompany loan.

11 The Company

Gulf Investment Fund plc (the "Company") was incorporated and registered in the Isle of Man under the Isle of Man Companies Acts 1931 to 2004 on 26 June 2007 as a public company with registered number 120108C.

The shares of the Company were admitted to trading on the Main Market of the London Stock Exchange on 13 May 2011. On 19 May 2021 the Company transferred to the Specialist Fund Section of the Main Market of the London Stock Exchange.

In the Circular published by the Company on 25 March 2021 the Board announced the implementation of an enhanced dividend policy targeting an annual dividend equivalent to 4 per cent. of Net Asset Value at the end of the preceding year, to be paid in semi-annual instalments.

The Company applied to the London Stock Exchange for a block listing of 2,700,000 ordinary shares of US\$0.01 each to be admitted on the Specialist Fund Segment of the Exchange. This admission became effective on 10 May 2022.

The Company's agents and the Investment manager perform all significant functions. Accordingly, the Company itself has no employees.

Notes to the Financial Statements (continued)

11 The Company (continued)

Duration

The Company did not have a fixed life. The Board considered it desirable that Shareholders could review the future of the Company at appropriate intervals. It was resolved that shareholders would be able to participate in bi-annual tender offers for up to 100% of the share capital. As a result of the latest tender it became clear that the minimum level of ordinary shares would be breached and the Company consequently invited shareholders to vote for an orderly liquidation at the extraordinary general meeting to be held on 29 October 2024.

12 The Subsidiary

The Company has the following subsidiary company:

	Country of incorporation	Percentage of shares held
Epicure Qatar Opportunities Holdings Limited	British Virgin Islands	100%

Epicure Qatar Opportunities Holdings Limited is a wholly owned subsidiary of the Company and was incorporated in the British Virgin Islands on 4 July 2007 under the provisions of the BVI Companies Act 2001, as a limited liability company with registration number 1415393. The principal activity of the Subsidiary is holding investments on behalf of the Company.

13 Material accounting policies

Accounting policies for certain items have been included in the relevant note.

13.1 Basis of preparation

Principal activities

The Company's principal activities, investment objective and strategy and principal risks and uncertainties and the planned tender offers in 2024 are described in the Chairman's Statement, Business Review, Investment Policy and Corporate Governance Report.

Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and Isle of Man Companies Acts 1931 to 2004.

In accordance with IFRS 10, 'Consolidated financial statements', the Directors have concluded that the Company falls under the definition of an investment entity because the Company has the following characteristics:

- the Company has obtained funds for the purpose of providing investors with investment management services;
- the Company's investing policy, which was communicated directly to investors, is investment solely for returns from capital appreciation and investment income; and
- the performance of investments is measured and evaluated on a fair value basis.

As a result, the Company does not consolidate its subsidiaries, instead it is required to account for these subsidiaries at fair value through profit or loss in accordance with IFRS 9, 'Financial instruments' and prepares individual company financial statements only.

Basis of measurement

The financial statements have been prepared under the historic cost convention, as modified by the revaluation of financial assets held at fair value through profit or loss, which are stated at fair value.

Use of judgements and estimates

In preparing these financial statements the Company has made judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The accounting estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities are in relation to the financial assets at fair value through profit or

Notes to the Financial Statements (continued)

13 Material accounting policies (continued)

13.1 Basis of preparation (continued)

loss. See note 2 for further information.

Non-going concern basis of preparation

These financial statements have been prepared on a basis other than going concern because prior to the results of the September tender offer the Company received irrevocable commitments pursuant to the Tender Offer to tender Shares which resulted in the minimum size condition in respect of the Tender Offer (being a post Tender Offer share capital of not less than 38,000,000 Shares) not being met. As a result, the Tender Offer did not proceed in accordance with tender terms and conditions set out in the circular of the Company dated 28 November 2023.

As set out in the Circular, the Directors instead put forward proposals to Shareholders for the Company to be wound up with a view to returning cash to Shareholders and to enter into a solvent formal liquidation.

The Directors have continued to apply the requirements of IFRS and Isle of Man Companies Acts 1931 to 2004 taking into account that they do not expect the Company to continue as a going concern in the foreseeable future. There have been no specific changes to the presentation as a result of the preparation on a basis other than going concern.

Functional and presentation currency

These financial statements are presented in USD Dollar, which is the Company's presentational and functional currency. All financial information presented in USD Dollar has been rounded to the nearest thousand dollar.

Disclosure on changes in significant accounting policies

The accounting policies applied in the Company financial statements are the same as those applied in the Company financial statements for the year ended 30 June 2023.

There were no new and revised IFRSs, which become effective for annual periods beginning on or after 1 January 2023, that have been adopted in these financial statements.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgement in the process of applying the Company's accounting policies. The financial statements do not contain any critical accounting estimates.

13.2 Consolidated financial statements

Consolidated financial statements have not been presented in order to comply with the requirements of the IFRS 10 Investment Entity Consolidation Exception. The Directors have also applied the exemption from the preparation of consolidated accounts available under the Isle of Man Companies Act 1982, section 4(2)(i), on the grounds that they would be of no real value to members of the Company, in view of the insignificant amounts involved. This is on the basis that the profit and net asset value reported in the consolidated accounts would be the same as they are reported in the Company accounts.

13.3 Segment reporting

The Company is organised into one operating segment, comprising the investment in a portfolio of equity securities in the GCC region via the wholly owned subsidiary. The financial performance of this portfolio is presented to and monitored by the Board of Directors, being the chief operating decision makers as defined under IFRS 8. All of the Company's activities are interrelated, and each activity is dependent on the others. Accordingly, all significant operating decisions are based upon analysis of the Company as one segment. The financial results from this segment are equivalent to the financial statements of the Company as a whole.

13.4 Investment in and loan to subsidiary

Investment in subsidiary is stated at fair value through profit and loss based on the net asset value of the Subsidiary as reported by the Administrator. The loan to subsidiary is included within this valuation. Interest income on the loan to subsidiary is recognised in the Income Statement using the effective interest method.

Notes to the Financial Statements (continued)

13 Significant accounting policies (continued)

13.5 Treasury shares

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognised as a deduction from equity. Repurchased shares that are not cancelled are held as treasury shares and have no voting rights and do not receive dividends. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity and the resulting surplus or deficit on the transaction is presented within reserves.

13.6 Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

13.7 Future changes in accounting policies

New and amended IFRSs in issue but not yet effective and not early adopted

The following new standards, amendments and interpretations are in issue but not yet effective for these financial statements and have not been early adopted by the Company. The following amended standards are not expected to have a material impact on the Company's results:

- Amendment to IAS 1 – Non-current liabilities with covenants – effective from January 2024.
- Amendments to IFRS 16 – Leases on sale and leaseback - effective from January 2024.
- Amendment to IAS 7 and IFRS 7 – Supplier finance – effective from January 2024.
- Amendments to IAS 21 – Lack of exchangeability – effective from January 2025.

There are no other standards, amendments or interpretations to existing standards that are not yet effective, that would have a material impact on the Company's reported results.

14 Post balance sheet events

On 22 August 2024, the Company announced the launch of a tender offer for up to 100 per cent. of each Shareholder's holding in the Company. The Company received irrevocable commitments pursuant to the Tender Offer to tender Shares which resulted in the minimum size condition in respect of the Tender Offer (being a post Tender Offer share capital of not less than 38,000,000 Shares) not being met. As a result, the Tender Offer did not proceed in accordance with tender terms and conditions set out in the circular of the Company dated 28 November 2023.

As set out in the Circular, the Directors instead put forward proposals to Shareholders for the Company to be wound up with a view to returning cash to Shareholders or to enter into formal liquidation.

The Company published a circular on 4 October 2024 setting out details of the Proposals and to convene a general meeting on 29 October 2024 at which approval for the Proposals will be sought from shareholders.

Appendix

Unaudited consolidated financial information

Consolidated Income Statement

	Year ended 30 June 2024 US\$'000	Year ended 30 June 2023 US\$'000
Income		
Dividend income on quoted equity investments	3,881	2,895
Realised gain on sale of financial assets at fair value through profit or loss	17,663	4,453
Net changes in fair value on financial assets at fair value through profit or loss	(10,427)	10,816
Interest income	16	29
Net foreign exchange loss	(14)	(55)
Total net income	11,119	18,138
Expenses		
Investment manager's fees	789	691
Other expenses	805	940
Total operating expenses	1,594	1,631
Profit before tax	9,525	16,507
Income tax expense	87	51
Profit for the year	9,438	16,456
Basic earnings per share (cents)		40.14
Diluted earnings per share (cents)		40.14

Notes:

- 1) Consolidated information has been presented to assist the user in interpreting the results of the Company and to be consistent with previous years. This information consolidates the results of the Subsidiary with the Company. It is based on IFRS requirements that would apply if the IFRS 10 consolidation exception for investment entities did not apply to the Company.
- 2) Where relevant to understanding the risks of financial instruments held by the Company certain disclosures relating to the subsidiary's assets and liabilities have been given in the notes to the Financial Statements and would be relevant to understanding the consolidated position presented in this appendix.

Appendix

Unaudited consolidated financial information

Consolidated Statement of Comprehensive Income

	Year ended 30 June 2024 US\$'000	Year ended 30 June 2023 US\$'000
Profit for the year	9,438	16,456
Other comprehensive income		
Items that are or may be reclassified subsequently to profit or loss:		
Currency translation differences	-	-
Total items that are or may be reclassified subsequently to profit or loss	-	-
Other comprehensive income for the year	-	-
Total comprehensive income for the year	9,438	16,456

Appendix

Unaudited consolidated financial information

Consolidated Statement of Financial Position

	At 30 June 2024 US\$'000	At 30 June 2023 US\$'000
Assets		
Financial assets at fair value through profit or loss	97,053	94,622
Other receivables and prepayments	315	328
Cash and cash equivalents	744	2,512
Total assets	98,112	97,462
Equity		
Issued share capital	389	411
Share premium	-	1,008
Reserves	97,384	95,457
Total equity	97,773	96,876
Current liabilities		
Other payables and accrued expenses	339	586
Total current liabilities	339	586
Total equity and liabilities	98,112	97,462

Appendix

Unaudited consolidated financial information

Consolidated Statement of Changes in Equity

	Share capital	Distributable reserves	Reserves	Share premium	Other reserves	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance at 1 July 2023	411	(7,330)	100,940	1,008	1,847	96,876
Total comprehensive income for the year						
Profit for the year	-	-	9,438	-	-	9,438
Other comprehensive income						
Foreign exchange translation differences	-	-	-	-	-	-
Total other comprehensive expense	-	-	-	-	-	-
Total comprehensive income for the year	-	-	9,438	-	-	9,438
Contributions by and distributions to owners						
Dividends paid	-	-	(3,305)	-	-	(3,305)
Shares subject to tender offer	(26)	(4,087)	-	(1,914)	26	(6,001)
Tender offer expenses	-	(145)	-	-	-	(145)
Proceeds from shares issued	4	-	-	906	-	910
Total contributions by and distributions to owners	(22)	(4,232)	(3,305)	(1,008)	26	(8,541)
Balance at 30 June 2024	389	(11,562)	107,073	-	1,873	97,773
Balance at 1 July 2022	411	(6,356)	87,366	-	1,843	83,264
Total comprehensive income for the year						
Profit for the year	-	-	16,456	-	-	16,456
Other comprehensive income						
Foreign exchange translation differences	-	-	-	-	-	-
Total other comprehensive expense	-	-	-	-	-	-
Total comprehensive income for the year	-	-	16,456	-	-	16,456
Contributions by and distributions to owners						
Dividends paid	-	-	(2,882)	-	-	(2,882)
Shares subject to tender offer	(4)	(839)	-	-	4	(839)
Tender offer expenses	-	(135)	-	-	-	(135)
Proceeds from shares issued	4	-	-	1,008	-	1012
Total contributions by and distributions to owners	-	(974)	(2,882)	1,008	4	(2,844)
Balance at 30 June 2023	411	(7,330)	100,940	1,008	1,847	96,876

Appendix

Unaudited consolidated financial information

Consolidated Statement of Cash Flows

	Year ended 30 June 2024 US\$'000	Year ended 30 June 2023 US\$'000
Cash flows from operating activities		
Purchase of investments	(128,937)	(214,990)
Proceeds from sale of investments	133,463	212,223
Dividends received	3,923	2,746
Operating expenses paid	(1,694)	(1,599)
Other income	25	-
Interest received	16	30
Net cash generated from/(used in) operating activities	6,796	(1,590)
Financing activities		
Dividends paid	(3,305)	(2,882)
Cash used in tender offer	(6,001)	(835)
Tender expenses	(145)	(135)
Proceeds from shares issued	910	1,012
Net cash used in financing activities	(8,541)	(2,840)
Net (decrease)/increase in cash and cash equivalents	(1,745)	(4,430)
Effects of exchange rate changes on cash and cash equivalents	(23)	(9)
Cash and cash equivalents at beginning of the year	2,512	6,951
Cash and cash equivalents at end of the year	744	2,512

Glossary

Alternative performance measures (APM)

An APM is a measure of performance or financial position that is not defined in applicable accounting standards and cannot be directly derived from the financial statements. The Company's APMs are set out below and are cross-referenced where relevant to the financial inputs used to derive them as contained in other sections of the Annual Financial report.

Ongoing charges ratio

Ongoing charges (%) = Annualised ongoing charges divided by Average undiluted net asset value in the period

Ongoing charges are those expenses of a type which are likely to recur in the foreseeable future, whether charged to capital or revenue, and which relate to the operation of the investment company as a collective fund. Ongoing charges are based on costs incurred in the year as being the best estimate of future costs and include the annual management charge. As recommended by the AIC in its guidance, ongoing charges are calculated using the Company's annualised revenue and capital expenses (excluding finance costs, direct transaction costs, custody transaction charges, non-recurring charges and taxation) expressed as a percentage of the average daily net assets of the Company during the year. The inputs that have been used to calculate the ongoing charges percentage are set out in the following table:

Ongoing charges calculation*	30 June 2024 US\$'000	30 June 2023 US\$'000	
Management fee	789	691	
Other operating expenses	805	940	
Total management fee and other operating expenses	1,594	1,631	a
Average net assets in the year	98,858	86,063	b
Ongoing charges (c=a/b)	1.61%	1.89%	c

*Including expenses of the Subsidiary.

Discount and premium

Shares can frequently trade at a discount to net asset value (NAV). This occurs when the share price (based on the mid-market share price) is less than the NAV and investors may therefore buy shares at less than the value attributable to them by reference to the underlying assets. The discount is the difference between the share price and the NAV, expressed as a percentage of the NAV. As at 30 June 2024, the share price was US\$2.3100 and the audited NAV per share was US\$2.5105, giving a discount of 7.99%. A discount occurs when the share price (based on the mid-market share price) is less than the NAV and investors would therefore be paying less than the value attributable to the shares by reference to the underlying assets.

Year to date net asset value

This is the fall or rise, calculated as a percentage, in value of the Company's assets attributable to one ordinary share since 31 December 2023. The net asset value per share is calculated by dividing 'equity shareholders' funds' by the total number of ordinary shares in issue. The fall in year-to-date NAV is set out in the table below:

Date	Equity	Number of ordinary shares in issue	Net asset value per share		
31 December 2023	101,672,265	40,103,204	2.5353		a
30 June 2024	97,773,460	38,946,044	2.5105		b
YTD Change in NAV (c=(b-a)/a)				-0.98%	c