BlackRock Latin American Investment Trust plc

Half Yearly Financial Report 30 June 2023

Keeping in touch

We know how important it is to receive up-to-date information about the Company.

To ensure that you are kept abreast, please scan the QR code to the right of this page to visit our website. If you have a smartphone, you can activate the QR code by opening the camera on your device and pointing it at the QR code. This will then open a link on the relevant section on the Company's website. By visiting our website, you will have the opportunity to sign up to our monthly newsletter which includes our latest factsheets and market commentary as well as upcoming events and webinars. Information about how we process personal data is contained in our privacy policy available on our website. Further information about the Company can be found at www.blackrock.com/uk/brla.

General enquiries about the Company should be directed to the Company Secretary at: cosec@blackrock.com.

Use this QR code to take you to the Company's website where you can sign up to monthly insights and factsheets.

Latin America has been the best performing region year to date, returning 18.5% in USD terms ending 30 June 2023. Argentina specifically has had a very strong rally year to date, returning 42.2%, as expectations increased for the opposition to win in the presidential elections in October 2023.

Image shows crowds celebrating Argentina's world cup success on the streets of Mar del Plata.

Financial highlights

as at 30 June 2023

602.86c

NAV per ordinary share with dividends reinvested

25.8%[1,2]

513.63c

Ordinary share price with dividends reinvested

18.5%[1,2]

570.89

Benchmark index[3] with dividends reinvested

18.5%[1,2]

15.26c

Revenue profit per ordinary share

–15.7%

13.75c

Total dividends per ordinary share

1.9%[4]

7.6%[1,5]

Dividend yield

The above financial highlights are at 30 June 2023 and percentage comparisons are against 31 December 2022.

[1] Alternative Performance Measures, see Glossary on pages 32 to 37.

[2] Mid-market share price, NAV performance and benchmark index are calculated in US Dollar terms with dividends reinvested.

[3] MSCI EM Latin America Index (net return, on a US Dollar basis).

[4] Dividends declared in respect of the six-month period ended 30 June 2023 of 13.75 cents per share compared to dividends declared in respect of the of the six-month period ended 30 June 2022 of 13.50 cents per share.

[5] Yield calculated based on four quarterly dividends and special dividend for the twelve months to 30 June 2023 of 39.12 cents per share and the share price as at 30 June 2023 of 513.63 cents.

Why BlackRock Latin American Investment Trust plc?

Investment objective

The Company's objective is to secure long term capital growth and an attractive total return primarily through investing in quoted securities in Latin America.

Investment approach

- The Board strongly believes that our closed-end structure is the most appropriate for active equity investment in Latin America and its well-known advantages are the major factors differentiating us from our many open-ended competitors. As a closed-end company we are able to adopt a longer term investment horizon, and therefore may, when appropriate, have a higher proportion of less liquid mid and smaller capitalisation companies than comparable open-ended funds.

- As an actively managed fund our primary aims over the medium term are significant outperformance of our benchmark index (the MSCI Emerging Markets Latin America Index (Net Return, on a US Dollar basis)) and most of our competitors on a risk adjusted basis. Our portfolio and performance will diverge from the returns obtained simply by investing in the index.

- The portfolio will be chosen from a spread of companies which are listed in, or whose main activities are in, Latin America.

- The Board actively seeks to maintain control over the level and volatility of the discount between share price and the net asset value (NAV).

- We will selectively employ gearing with the aim of enhancing returns. The Board believes that 105% of NAV is the neutral level of gearing over the longer term and that gearing should be used actively in an approximate range of plus or minus 10% around this as measured at the time that gearing is instigated.

- The Company pays a regular quarterly dividend equivalent to 1.25% of the Company's US Dollar NAV at the end of each calendar quarter.

Details about the Company are available on the website at www.blackrock.com/uk/brla

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FRONT COVER:

Panama City, Panama

Panama's largest airline and market leader in the Americas, Copa Holdings, is an off benchmark holding by the Company.

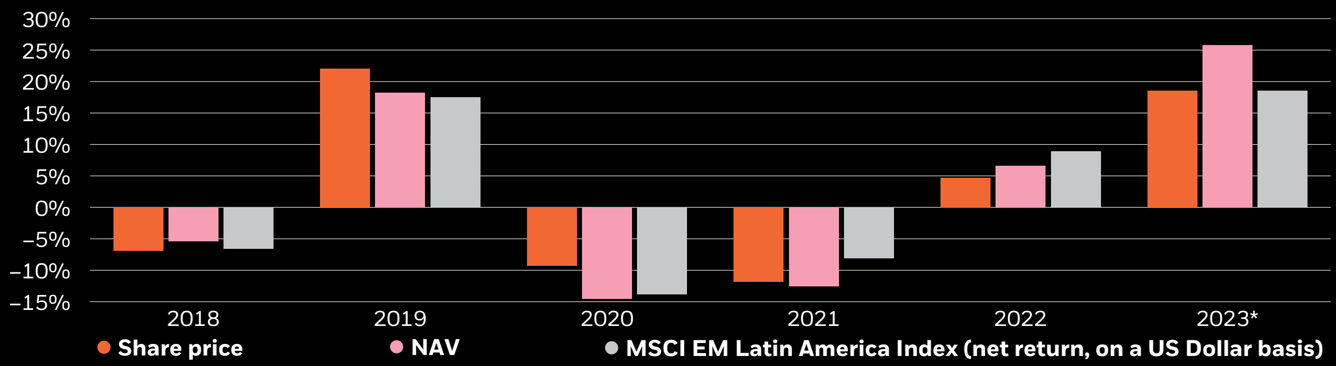
Performance record

	As at 30 June 2023	As at 31 December 2022
Net assets (US$'000)[1]	177,535	148,111
Net asset value per ordinary share (US$ cents)	602.86	502.95
Ordinary share price (mid-market) (US$ cents)[2]	513.63	457.10
Ordinary share price (mid-market) (pence)	404.00	380.00
Discount[3]	14.8%	9.1%

	For the six months ended 30 June 2023	For the year ended 31 December 2022
Performance (with dividends reinvested)		
Net asset value per share (US$ cents)[3]	25.8%	6.6%
Ordinary share price (mid-market) (US$ cents)[2,3]	18.5%	4.7%
Ordinary share price (mid-market) (pence)[3]	12.1%	18.0%
MSCI EM Latin America Index (net return, on a US Dollar basis)[4]	18.5%	8.9%

	For the six months ended 30 June 2023	For the six months ended 30 June 2022	Change %
Revenue			
Net profit on ordinary activities after taxation (US$'000)	4,494	6,767	−33.6
Revenue earnings per ordinary share (US$ cents)	15.26	18.11	−15.7
Dividends per ordinary share (US$ cents)			
Quarter to 31 March	6.21	7.76	−20.0
Quarter to 30 June	7.54	5.74	+31.4
Total dividends paid and payable	**13.75**	**13.50**	**+1.9**

Performance from 31 December 2018 to 30 June 2023



Sources: BlackRock Investment Management (UK) Limited and Datastream.
Performance figures are calculated in US Dollar terms with dividends reinvested.
* Six month performance to 30 June 2023.

[1] The change in net assets reflects the portfolio movements during the period and dividends paid.

[2] Based on an exchange rate of US$1.27 to £1 at 30 June 2023 and US$1.20 to £1 at 31 December 2022, representing a change of 5.8% in the value of the US Dollar against British Pound Sterling.

[3] Alternative Performance Measures, see Glossary on pages 32 to 37.

[4] The Company's performance benchmark index (the MSCI EM Latin America Index) may be calculated on either a gross or a net return basis. Net return (NR) indices calculate the reinvestment of dividends net of withholding taxes using the tax rates applicable to non-resident institutional investors, and hence give a lower total return than indices where calculations are on a gross basis (which assumes that no withholding tax is suffered). As the Company is subject to withholding tax rates for the majority of countries in which it invests, the NR basis is felt to be the more accurate, appropriate, consistent and fair comparison for the Company.

Chairman's Statement

Dear Shareholder

Carolan Dobson
Chairman

I am pleased to present the Half Yearly Financial Report to shareholders for the six months ended 30 June 2023. It is pleasing to note that the Company's net asset value with dividends reinvested has outperformed the benchmark by 7.3 percentage points over the period in US Dollar terms. In Sterling terms, the net asset value with dividends reinvested rose by 18.8% over the same period and the benchmark rose by 12.1%. The share price rose by 18.5% in US Dollar terms and increased by 12.1% in Sterling terms.

Overview and performance

Latin American equity markets have outperformed both developed markets and MSCI Emerging Markets indices over the period under review with the MSCI EM Latin America Index up by 18.5%, compared to the MSCI Emerging Markets Index that returned 4.9% and a rise in the MSCI World Index of 15.1% (all in US Dollar terms respectively). The Mexican economy has been a key beneficiary from the shifting of global supply chains and coupled with a prudent fiscal policy and a strong export sector, Mexico has replaced China as America's largest trade partner. In Brazil the government's fiscal policies proved to be more cautious than expected, inflation has fallen to below 4%, which helped pave the way for interest rate cuts. This resulted in a significant shift in investor sentiment towards Brazil, especially in the second quarter of 2023. From a country perspective, equity markets in Mexico and Brazil performed best over the period under review, up by 27.1% and 16.8% respectively representing 83.5% of the portfolio; Colombia was the weakest equity market in the region down by 3.3%.

The Company's outperformance was largely driven by stock selection in Brazil and Mexico. The portfolio was overweight in domestic Brazil, positioning that reflected the Investment Manager's view that interest rates were excessively high. The Manager's expectation was for interest rates to be cut this year; which has seen this increasingly being priced by the market in Brazil which has been a very strong contributor to the portfolio's returns. Mexico also contributed meaningfully, with real estate and consumer staples being the main drivers. The real estate sector, supported by an increase in rental income as more US companies moved their manufacturing operations from China to Mexico, performed strongly. Mexico has benefitted significantly this year from the "near-shoring" theme where US companies look to diversify their supply chains and move production closer to home. At the sector level, materials and industrials have been the outperformers and energy and consumer staples were the biggest detractors. Additional information on the main contributors to and detractors from performance for the period under review is given in the Investment Manager's Report on pages 8 to 10.

Dividends declared in respect of the year to 30 June 2023

	Dividend (US$ cents per share)	Announcement date	Pay date
Quarter to 30 September 2022	6.08	3 October 2022	9 November 2022
Quarter to 31 December 2022[1]	19.29	3 January 2023	8 February 2023
Quarter to 31 March 2023	6.21	3 April 2023	16 May 2023
Quarter to 30 June 2023	7.54	3 July 2023	11 August 2023
Total	**39.12**		

[1] Quarter to 31 December 2022 includes an additional special dividend of 13.00 cents.

Revenue return and dividends

Revenue return for the six months ended 30 June 2023 was 15.26 cents per share (2022: 18.11 cents per share). The primary driver for this decrease is the reduction in dividends paid by portfolio companies.

The Company has declared dividends totalling 39.12 cents per share in respect of the twelve months to 30 June 2023 representing a yield of 7.6% (calculated based on a share price of 513.63 cents per share, equivalent to the Sterling price of 404.00 pence per share translated into cents at a rate of US$1.27 prevailing on 30 June 2023).

Under the Company's dividend policy, dividends are calculated and paid quarterly, based on 1.25% of the US Dollar NAV at close of business on the last working day of March, June, September and December respectively; additional information in respect of the payment timetable is set out in the Annual Report and Financial Statements. Dividends will be financed through a combination of available net income in each financial year and revenue and capital reserves. The dividends paid and declared by the Company in the last twelve months have been funded from current year revenue and brought forward revenue reserves.

As at 30 June 2023, a balance of US$5.7 million remained in revenue reserves. Dividends will be funded out of capital reserves to the extent that current year revenue and revenue reserves are fully utilised. The Board believes that this removes pressure from the investment managers to seek a higher income yield from the underlying portfolio itself which could detract from total returns. The Board also believes the Company's dividend policy will enhance demand for the Company's shares and help to narrow the Company's discount, whilst maintaining the portfolio's ability to generate attractive total returns.

Discount management and discount control mechanism

The Board remains committed to taking appropriate action to ensure that the Company's shares do not trade at a significant discount to their prevailing NAV and have sought to reduce discount volatility by offering shareholders a discount control mechanism covering the four years to 31 December 2025. This mechanism offers shareholders a tender for 24.99% of the shares in issue excluding treasury shares (at a tender price reflecting the latest cum-income NAV less 2% and related portfolio realisation costs) in the event that the continuation vote to be put to the Company's AGM in 2026 is approved, where either of the following conditions have been met:

(i) the annualised total NAV return of the Company does not exceed the annualised benchmark index (being the MSCI EM Latin America Index) (net return, on a US Dollar basis) by more than 50 basis points over the four year period from 1 January 2022 to 31 December 2025 (the Calculation Period); or

(ii) the average daily discount to the cum-income NAV exceeds 12% as calculated with reference to the trading of the shares over the Calculation Period.

In respect of the above conditions, the Company's total NAV return on a US Dollar basis for the period from 1 January 2022 to 30 June 2023 was 21.5% on an annualised basis, outperforming the annualised benchmark return of 18.6% for the same period by 2.9 percentage points (equivalent to 290 basis points, please see the Glossary on page 32 for more information). The cum-income discount of the Company's ordinary shares has averaged 12.1% for this period and ranged from a discount of 6.8% to 16.3%, ending the period on a discount of 14.8% at 30 June 2023.

The Company has not bought back any shares during the six months ended 30 June 2023 and up to the date of publication of this report.

Gearing

The Board's view is that 105% of NAV is the neutral level of gearing over the longer term and that gearing should be used actively in an approximate range of plus or minus 10% around this as measured at the time that gearing is instigated. The Board is pleased to note that the Managers have used gearing actively throughout the period, with a high of 108.9% in January 2023. The Company held net cash of 2.6% as at 30 June 2023 as the Manager took profits, particularly in Brazil, after a strong period of relative performance. Average gearing for the six months under review was 104.5% (year to 31 December 2022: 108.7%).

Board composition

Professor Mahrukh Doctor, who had served on the Board since 2009 and as Senior Independent Director since March 2019, retired from the Board at the Company's AGM in March 2023. The Board thanks Professor Doctor for her many years of excellent service, and wishes her the best for the future.

Outlook

Equity markets in the Latin American region saw a very strong start to 2023 and Latin American equity markets remain attractively valued on both an absolute and relative basis. The Latin American region should have higher economic growth prospects than advanced economies in the near future. Central banks in the region have followed traditional monetary policies, unlike many developed countries, so as inflation falls across the region, there is potential for lower interest rates which in turn should stimulate economic activity. The region is rich in natural resources, including fossil fuels of crude oil and natural gas, creating favourable supply and demand dynamics. It is also a major source of copper and lithium, (critical materials for the green energy revolution), as well as a key producer of a wide range of food commodities. Latin America also provides significant opportunities for direct investment as governments and businesses globally re-think supply chain configurations and seek to diversify risk.

The Board remains optimistic for the outlook for Latin American equities, whilst the global economic outlook appears to be increasingly sombre by comparison. In spite of major difficulties in other major emerging markets like China and Russia, Latin America continues to provide a bright and improving region but political challenges remain.

Carolan Dobson
Chairman
29 September 2023

Investment Manager's Report

Sam Vecht

Christoph Brinkmann

Market overview

Latin America had a stellar first half of 2023, gaining +18.5%, with all markets ending the period in positive territory, bar Colombia (-3.3%). Mexico led the charge (+27.1%) and to the surprise of many, even outperforming the MSCI USA Index (+16.8%) as well as emerging markets more broadly (MSCI Emerging Markets Index +4.9%). This was due to a prudent fiscal policy and a strong export sector as the country replaced China as America's largest trade partner. Mexico has been a key beneficiary from the shifting of global supply chains. Like most of Latin America their prudent monetary policy has been successful in tackling inflation. Brazil was another outperformer (+16.8%) as the government's fiscal policies proved to be more prudent than expected, while inflation receded to below 4%, paving the way for interest rate cuts. This resulted in a significant shift in sentiment towards Brazil, especially in the second quarter. Among the smaller markets, Peru returned +15.3% and Chile +7.8%. All performance figures are calculated in US Dollar terms with dividends reinvested.

While the majority of Mexico's outperformance was in the first quarter, Brazil underperformed as uncertainty around fiscal policy dominated sentiment early in the year. Negative remarks by the newly appointed President Lula regarding high interest rates set by the central bank created a standoff between the two. Despite inflation trending down the central bank kept interest rates unchanged as they were not given comfort around fiscal sustainability by President Lula's leftist government.

Elsewhere in the region political volatility has been the common theme. In Peru, social unrest triggered by the arrest of President Pedro Castillo in December 2022 continued to weigh on markets in the first half of 2023. The new president remains unpopular and has struggled to form an effective government. In Colombia politics remain unstable and valuations have been at multi-year lows following the negative reaction to the country's first ever left-wing government.

The second quarter saw a shift in sentiment towards Brazil, in part resulting from the release of the highly anticipated fiscal framework proposed by the finance minister Fernando Haddad. The proposed new rules were well received as they were more orthodox than expected by investors. The equity market continued to do well in the following months as expectations for a monetary easing cycle increased. This has also been supported by inflation that has continued to trend lower, reaching 3.2% in June. Less uncertainty around the fiscal outlook and the downward trend in inflation remains key for the central bank to start reducing rates. Monetary policy easing is likely the most important support for both the economy and the equity market.

Performance review and positioning

The Company outperformed its benchmark over the six month period ended 30 June 2023, returning +25.8% in US Dollar terms. Over the same time horizon, the Company's benchmark, the MSCI Latin America Index, returned +18.5% on a net basis in US Dollar terms.

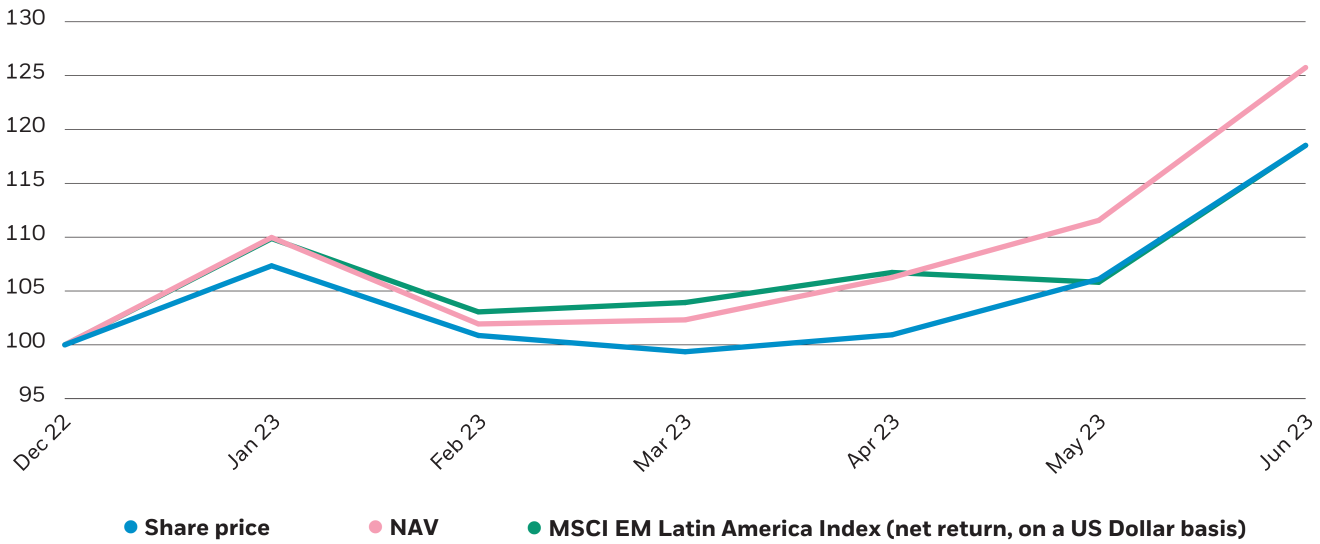
Our highest conviction position in the portfolio was our overweight in domestic Brazil. This positioning reflected our view that interest rates, currently at 13.75% were excessively high, and our expectation is for rates to be cut this year. In the second quarter this year we have seen this thesis increasingly priced by the market and year-to-date our stock selection in Brazil has been a very strong contributor to the portfolio's returns. Mexico also contributed meaningfully, with real estate and consumer staples the main drivers. The real estate sector overall did very well, supported by an increase in rental income as more US companies moved their manufacturing operations from China to Mexico, while Argentina was the only country where the portfolio saw negative returns. At the sector level, materials and industrials have been the outperformers and energy and consumer staples were the biggest detractors.

From a single stock level, the position that contributed the most to absolute returns was **Mrv Engenharia (Mrv)**, a Brazilian homebuilder. The shift in expectations regarding interest rate cuts has helped the share price, as lower interest rates should increase demand in housing via improved affordability. In addition, Mrv is highly leveraged and lower rates would significantly ease the interest expense burden and improve cash generation. Separately, Mrv focuses on affordable housing for the low-income segment, which is a key priority for the new administration under Lula. Brazilian toll road operator **CCR** was also a sizeable positive contributor. CCR's share price increased on the back of resilient operating trends that were reported in mid-February. **IRB Brasil Resseguros**, a Brazilian reinsurer, has also started to see a turnaround in their underwriting cycle, helping the shares recover from depressed levels. The positive development in profits have helped mitigate capital raise worries that had been depressing the stock price. Material sector names were also among the top contributors. These included **Cemex**, a Mexican cement producer which outperformed supported by increasing cement prices and strong Q1 2023 results. Our underweights in **Vale**, a Brazilian mining company, and **Sociedad Quimica y Minera (SQM)**, a Chilean lithium producer for electric vehicles (EVs) contributed on a relative basis. Disappointing commodity demand in China was the driver for both companies' underperformance. For SQM specifically, a weakening demand for EVs in China led to a sharp decline in lithium prices. The recent political developments regarding state involvement in the lithium sector have also hurt the share price, but in our view do not represent a material fundamental change.

Our overweight in Brazilian supermarket chain, **Assai**, was the biggest detractor as the market became somewhat concerned about whether the leveraged balance sheet could withstand a period of lower food inflation. In addition, majority shareholder Casino is facing financial difficulties itself and was forced to significantly reduce its stake in Assai, creating a new supply of shares to the market. **Tenaris**, our off-benchmark holding in Argentina, underperformed. The weakness in the stock has mainly been due to sensitivity to the oil price as the company produces steel tubes and pipes for oil and gas companies. Our underweight in Brazilian financials weighed on relative returns.

Considering the very strong performance of domestic Brazilian assets in the second quarter (+20.7%) we started to trim our positions, and as a result the weight in Brazil has been somewhat reduced. We have reduced or exited positions where our thesis has largely played out and the stocks have performed well, such as toll road operator CCR, shopping mall Iguatemi and financial names like **B3**, the stock exchange and **XP**, an investment manager. We have rotated some of the capital into higher conviction names that have lagged the overall market rally we have seen in recent months, such as **PagSeguro Digital**. PagSeguro Digital provides solutions for

Performance from 1 January 2023 to 30 June 2023



Sources: BlackRock Investment Management (UK) Limited and Datastream.

Performance figures are calculated in US Dollar terms, with dividends reinvested, rebased to 100 as at 1 January 2023.

online payments, and while the fees they charge their merchants are fixed their funding costs have been going up with the rising interest rate. A decrease in the policy rate should reduce their costs and boost revenues.

We also locked in gains in Mexico following the strong performance in the first quarter; we exited our position in **Vesta**, a real estate company that has been benefitting from US companies moving their manufacturing operations from Asia to Mexico. Vesta is a name that we have held for a long time, but that we currently see as rather fairly valued as more investors have discovered the name. We reduced our position in **FEMSA**, a convenience store operator that had done very well, and we reduced our position size in Cemex. We initiated a position in **Mag Silver Corp**, a silver miner operating in Mexico, which is ramping up its key asset this year and recently reached commercial production. In addition, we started a position in **Ecopetrol**, an oil and gas company in Colombia, where the government has committed to pay outstanding receivables that the government owes the company. Amongst financials we switched from **Credicorp** in Peru to **Bancolombia** in Colombia due to more attractive valuations.

We ended the period overweight Argentina and Panama as we are maintaining exposure to off-benchmark names. We are underweight Mexico and Peru. At the sector level, we are overweight consumer discretionary and health care, while being most underweight in utilities and communication services.

Outlook

The outlook for the Mexican economy remains positive as it is a key beneficiary from the re-shoring of global supply chains. Mexico remains defensive as both fiscal and the current accounts are in order. While our view remains positive, we have taken profits after a strong relative performance, solely because we see even more upside in other Latin American markets such as Brazil. In addition, we believe that the Mexican economy will be relatively more sensitive to a potential slowdown in economic activity in the US in response to rising interest rates there.

We continue to have a very positive view on Brazil, even though our thesis of slowing inflation and sound fiscal policies has partially played out already. While the market is now pricing in interest rate cuts, these have not yet started, and the positive economic impact is yet to come. In addition, while international investors have moved capital to Brazil, local equity flows have continued to be negative year-to-date as equity markets struggle to compete with a risk-free rate of return of close to 14%. We therefore see Brazil as very early stage in its positive economic cycle and continue to see further upside over the next 12-18 months. We have significantly scaled back our positions after the strong performance, but domestic Brazil remains a dominant bet in the portfolio.

Political uncertainty has been the overriding market sentiment in other countries in Latin America. We believe this will continue to impact market performance, and we have a cautious view on Chile, Colombia and Peru. However, despite the political headwinds in Colombia, we are seeing a slow improvement in macroeconomics and believe it can become an attractive market again once the political climate stabilises.

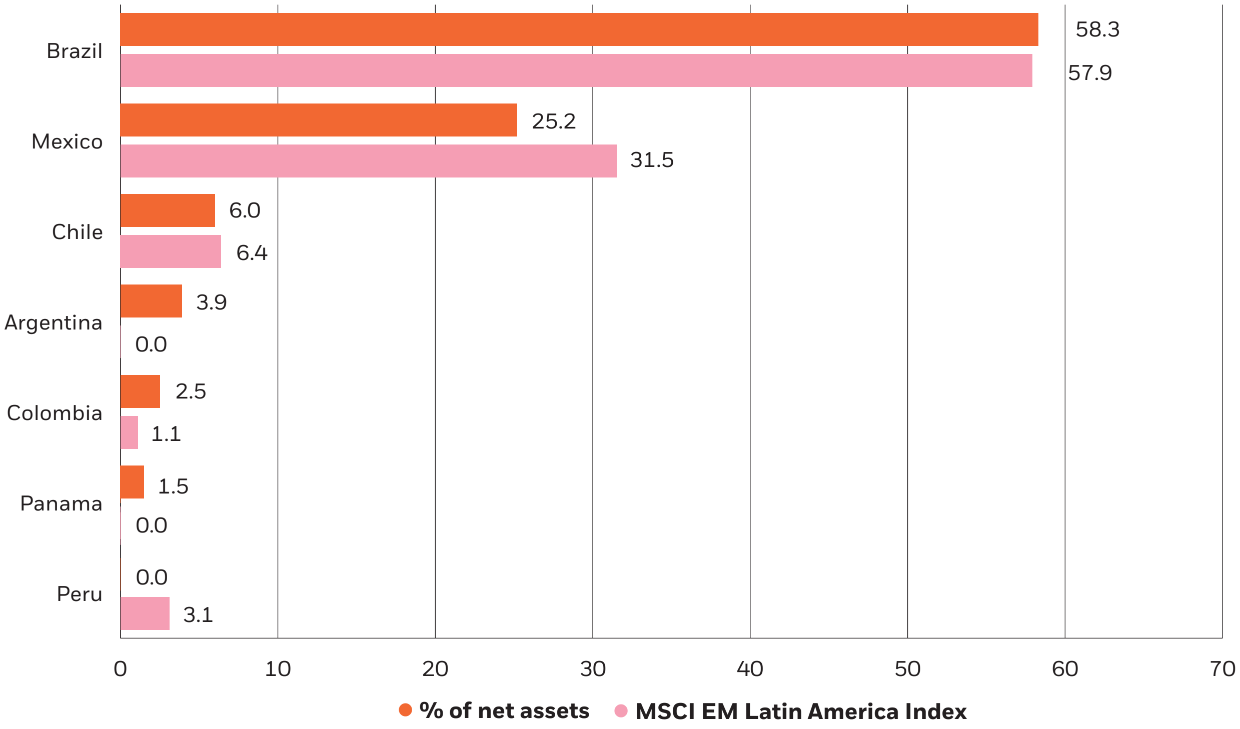
In a global context, we remain optimistic about Latin America as a whole. Central banks have been proactive in increasing interest rates, which has now resulted in falling inflation. Thus, we will likely see a monetary easing cycle in most countries in Latin America, which should support both economic activity and asset prices. In addition to this normal economic cycle, the whole region is benefitting from being somewhat isolated from global geopolitical conflicts. We believe that this will lead to both an increase in foreign direct investment and an increase in allocation from investors across the region. As such we are optimistic about the outlook for Latin American stocks over the next 12-24 months.

Sam Vecht
and Christoph Brinkmann
BlackRock Investment Management (UK) Limited
29 September 2023

Portfolio analysis

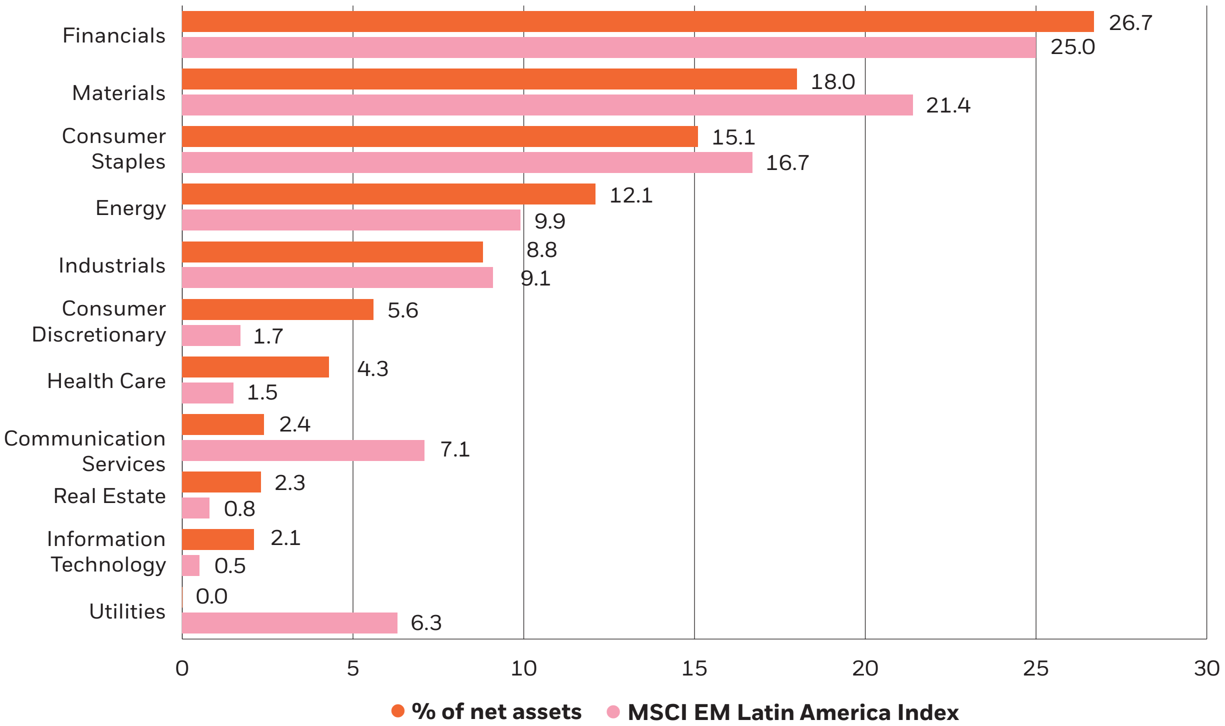
as at 30 June 2023

Geographical weighting (gross market exposure) vs MSCI EM Latin America Index



Sources: BlackRock and MSCI.

Sector allocation (gross market exposure) vs MSCI EM Latin America Index



Sources: BlackRock and MSCI.

Ten largest investments

as at 30 June 2023

1 ▲ **Petrobrás** (2022: 2nd)

Energy
Market value – American depositary receipt (ADR): US$7,042,000
Market value – Preference shares ADR: US$5,837,000
Market value – Ordinary shares: US$2,958,000
Share of investments: 9.2% (2022: 7.1%)

is a Brazilian integrated oil and gas group, operating in the exploration and production, refining, marketing, transportation, petrochemicals, oil product distribution, natural gas, electricity, chemical-gas and biofuel segments of the industry. The group controls significant assets across Africa, North and South America, Europe and Asia, with a majority of production based in Brazil.

2 ▲ **Banco Bradesco** (2022: 6th)

Financials
Market value - ADR: US$8,601,000
Market value – Preference shares: US$3,175,000
Share of investments: 6.8% (2022: 5.1%)

is one of Brazil's largest private sector banks. The bank divides its operations into two main areas – banking and insurance services and management of complementary private pension plans and savings bonds.

3 ▼ **Vale** (2022: 1st)

Materials
Market value – American depositary share (ADS): US$10,099,000
Share of investments: 5.8% (2022: 9.5%)

is one of the world's largest mining groups, with other business in logistics, energy and steelmaking. Vale is the world's largest producer of iron ore and nickel but also operates in the coal, copper, manganese and ferro-alloys sectors.

4 ▲ **Grupo Financiero Banorte** (2022: 8th)

Financials
Market value – Ordinary shares: US$10,091,000
Share of investments: 5.8% (2022: 4.8%)

is a Mexican banking and financial services holding company and is one of the largest financial groups in the country. It operates as a universal bank and provides a wide array of products and services through its broker dealer, annuities and insurance companies, retirements savings funds (Afore), mutual funds, leasing and factoring company and warehousing.

5 ▼ **FEMSA** (2022: 3rd)

Consumer Staples
Market value – ADR: US$9,451,000
Share of investments: 5.5% (2022: 6.0%)

is a Mexican beverages group which engages in the production, distribution, and marketing of beverages. The firm also produces, markets, sells, and distributes Coca-Cola trademark beverages, including sparkling beverages.

6 ▼ B3 (2022: 5th)

Financials

Market value – Ordinary shares: US$8,815,000
Share of investments: 5.1% (2022: 5.2%)

is a stock exchange located in Brazil, providing trading services in an exchange and OTC environment. B3's scope of activities include the creation and management of trading systems, clearing, settlement, deposit and registration for the main classes of securities, from equities and corporate fixed income securities to currency derivatives, structured transactions and interest rates, and agricultural commodities. B3 also acts as a central counterparty for most of the trades carried out in its markets and offers central depository and registration services.

7 ▼ AmBev (2022: 4th)

Consumer Staples

Market value – ADR: US$7,698,000
Share of investments: 4.5% (2022: 5.3%)

is a Brazilian brewing group which engages in the production, distribution, and sale of beverages. Its products include beer, carbonated soft drinks and other non-alcoholic and non-carbonated products with operations in Brazil, Central America, the Caribbean (CAC) and Canada.

8 ▼ Itaú Unibanco (2022: 7th)

Financials

Market value - ADR: US$6,128,000
Share of investments: 3.5% (2022: 4.9%)

is a Brazilian financial services group that services individual and corporate clients in Brazil and abroad. Itaú Unibanco was formed through the merger of Banco Itaú and Unibanco in 2008. It operates in the retail banking and wholesale banking segments.

9 ▲ Gerdau (2022: 22nd)

Materials

Market value – Preference shares: US$6,079,000
Share of investments: 3.5% (2022: 1.9%)

is a Brazilian long steel producer. Gerdau's North American business divisions manufacture long and special steel products, such as long carbon steel, long special steel, flat steel and forged and cast parts. These products are used for the agricultural, automotive, construction, distribution, energy, industrial and mining markets.

10 ▼ Hapvida Participacoes (2022: 9th)

Health Care

Market value – Ordinary shares: US$5,392,000
Share of investments: 3.1% (2022: 2.8%)

is a Brazilian holding healthcare company. The company operates with a vertical service structure and is one of the largest healthcare solutions providers in the country. The company provides medical assistance and dental care plans and their operating structure includes facilities such as hospitals, walk-in emergencies, clinics or diagnostic imaging units.

All percentages reflect the value of the holding as a percentage of total investments. For this purpose, where more than one class of securities is held, these have been aggregated. The percentages in brackets represent the value of the holding as at 31 December 2022.

Together, the ten largest investments represent 52.8% of the total investments (ten largest investments as at 31 December 2022: 53.5%).

Portfolio of investments

as at 30 June 2023

	Market value US$'000	% of investments
Brazil		
Petrobrás – ADR	7,042	
Petrobrás – preference shares ADR	5,837	9.2
Petrobrás	2,958	
Banco Bradesco – ADR	8,601	6.8
Banco Bradesco – Preference Shares	3,175	
Vale - ADS	10,099	5.8
B3	8,815	5.1
AmBev - ADR	7,698	4.5
Itaú Unibanco – ADR	6,128	3.5
Gerdau - Preference Shares	6,079	3.5
Hapvida Participacoes	5,392	3.1
Arezzo Industria e Comercio	4,794	2.8
Rumo	4,315	2.5
Sendas Distribuidora	3,795	2.2
Mrv Engenharia	3,512	2.0
Pagseguro Digital	3,346	1.9
IRB Brasil Resseguros	2,450	1.4
XP	2,382	1.4
Rede D'or Sao Luiz	2,204	1.3
Movida Participações	1,964	1.1
EZTEC Empreendimentos e Participacoes	1,539	0.8
CCR	1,369	0.8
Localiza Rent A Car	21	0.1
	103,515	**59.8**
Mexico		
Grupo Financiero Banorte	10,091	5.8
FEMSA - ADR	9,451	5.5
Grupo Aeroportuario del Pacifico - ADS	5,060	2.9
America Movil	4,331	2.5
Fibra Uno Administracion - REIT	4,124	2.4
Grupo México	3,776	2.2
MAG Silver Corp	3,093	1.8
Walmart de México y Centroamérica	2,901	1.7
Cemex - ADR	1,932	1.1
	44,759	**25.9**

	Market value US$'000	% of investments
Chile		
Sociedad Química Y Minera - ADR	4,246	2.5
Cia Cervecerias Unidas	1,723	1.7
Cia Cervecerias Unidas - ADR	1,255	
Empresas CMPC	2,809	1.6
Banco Santander-Chile - ADR	581	0.3
	10,614	**6.1**
Argentina		
Globant	3,742	2.2
Tenaris	3,120	1.8
	6,862	**4.0**
Colombia		
Ecopetrol ADR	2,599	1.5
Bancolombia	1,899	1.1
	4,498	**2.6**
Panama		
Copa Holdings	2,725	1.6
	2,725	**1.6**
Total Investments	**172,973**	**100.0**

All investments are in equity shares unless otherwise stated.

The total number of investments held at 30 June 2023 was 42 (31 December 2022: 40). At 30 June 2023, the Company did not hold any equity interests comprising more than 3% of any company's share capital (31 December 2022: nil).

Interim Management Report and Responsibility Statement

The Chairman's Statement on pages 5 to 7 and the Investment Manager's Report on pages 8 to 10 give details of the events which have occurred during the period and their impact on the financial statements.

Principal risks and uncertainties

The principal risks faced by the Company can be divided into various areas as follows:

- Counterparty;
- Investment performance;
- Income/dividend;
- Legal and regulatory compliance;
- Operational;
- Market;
- Financial; and
- Marketing.

The Board reported on the principal risks and uncertainties faced by the Company in the Annual Report and Financial Statements for the year ended 31 December 2022. A detailed explanation can be found on pages 41 to 45 and in note 16 on pages 91 to 98 of the Annual Report and Financial Statements which are available on the website maintained by BlackRock at www.blackrock.com/uk/brla.

The Board and the Investment Manager continue to monitor investment performance in line with the Company's investment objectives, and the operations of the Company and the publication of net asset values are continuing.

In the view of the Board, there have not been any changes to the fundamental nature of the principal risks and uncertainties since the previous report and these are equally applicable to the remaining six months of the financial year as they were to the six months under review.

Going concern

The Board is mindful of the risk that unforeseen or unprecedented events including (but not limited to) heightened geopolitical tensions such as the war in Ukraine, high inflation and the current cost of living crisis has had a significant impact on global markets. Notwithstanding this significant degree of uncertainty, the Directors, having considered the nature and liquidity of the portfolio, the Company's investment objective, the Company's projected income and expenditure, are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future and is financially sound.

Related party disclosure and transactions with the Investment Manager

BlackRock Fund Managers Limited (BFM) was appointed as the Company's AIFM (Alternative Investment Fund Manager) with effect from 2 July 2014. BFM has (with the Company's consent) delegated certain portfolio and risk management services, and other ancillary services, to BlackRock Investment Management (UK) Limited (BIM (UK)). Both BFM and BIM (UK) are regarded as related parties under the Listing Rules. Details of the fees payable are set out in note 11 to the financial statements.

The related party transactions with the Directors are set out in note 12 to the financial statements.

Directors' Responsibility Statement

The Disclosure Guidance and Transparency Rules (DTR) of the UK Listing Authority require the Directors to confirm their responsibilities in relation to the preparation and publication of the Interim Management Report and Financial Statements.

The Directors confirm to the best of their knowledge and belief that:

- the condensed set of financial statements contained within the Half Yearly Financial Report has been prepared in accordance with the applicable UK Accounting Standard FRS 104 Interim Financial Reporting; and

- the Interim Management Report, together with the Chairman's Statement and the Investment Manager's Report, include a fair review of the information required by 4.2.7R and 4.2.8R of the Financial Conduct Authority's (FCA) Disclosure Guidance and Transparency Rules.

The Half Yearly Financial Report has not been audited or reviewed by the Company's Auditor.

The Half Yearly Financial Report was approved by the Board on 29 September 2023 and the above Responsibility Statement was signed on its behalf by the Chairman.

Carolan Dobson
For and on behalf of the Board
29 September 2023

Income Statement

for the six months ended 30 June 2023

		Six months ended 30 June 2023 (unaudited)			Six months ended 30 June 2022 (unaudited)			Year ended 31 December 2022 (audited)		
	Notes	Revenue US$'000	Capital US$'000	Total US$'000	Revenue US$'000	Capital US$'000	Total US$'000	Revenue US$'000	Capital US$'000	Total US$'000
Gains/(losses) on investments held at fair value through profit or loss		–	33,031	33,031	–	(8,655)	(8,655)	–	1,258	1,258
Gains/(losses) on foreign exchange		–	25	25	–	(231)	(231)	–	(183)	(183)
Income from investments held at fair value through profit or loss	2	5,503	–	5,503	7,599	–	7,599	15,438	–	15,438
Other income	2	21	–	21	18	–	18	21	–	21
Total income/(loss)		**5,524**	**33,056**	**38,580**	**7,617**	**(8,886)**	**(1,269)**	**15,459**	**1,075**	**16,534**
Expenses										
Investment management fee	3	(161)	(482)	(643)	(186)	(558)	(744)	(333)	(999)	(1,332)
Other operating expenses	4	(382)	(7)	(389)	(308)	(6)	(314)	(609)	(17)	(626)
Total operating expenses		**(543)**	**(489)**	**(1,032)**	**(494)**	**(564)**	**(1,058)**	**(942)**	**(1,016)**	**(1,958)**
Net profit/(loss) on ordinary activities before finance costs and taxation		**4,981**	**32,567**	**37,548**	**7,123**	**(9,450)**	**(2,327)**	**14,517**	**59**	**14,576**
Finance costs		(43)	(128)	(171)	(30)	(90)	(120)	(81)	(243)	(324)
Net profit/(loss) on ordinary activities before taxation		**4,938**	**32,439**	**37,377**	**7,093**	**(9,540)**	**(2,447)**	**14,436**	**(184)**	**14,252**
Taxation (charge)/credit		(444)	–	(444)	(326)	11	(315)	(594)	11	(583)
Net profit/(loss) on ordinary activities after taxation		**4,494**	**32,439**	**36,933**	**6,767**	**(9,529)**	**(2,762)**	**13,842**	**(173)**	**13,669**
Earnings/(loss) per ordinary share (US$ cents)	**7**	**15.26**	**110.15**	**125.41**	**18.11**	**(25.50)**	**(7.39)**	**41.48**	**(0.52)**	**40.96**

The total columns of this statement represent the Company's profit and loss account. The supplementary revenue and capital accounts are both prepared under guidance published by the Association of Investment Companies (AIC). All items in the above statement derive from continuing operations. No operations were acquired or discontinued during the period. All income is attributable to the equity holders of the Company.

The net profit/(loss) on ordinary activities for the period disclosed above represents the Company's total comprehensive income/(loss).

The notes on pages 22 to 29 form part of these financial statements.

Statement of Changes in Equity

for the six months ended 30 June 2023

	Note	Called up share capital US$'000	Share premium account US$'000	Capital redemption reserve US$'000	Non-distributable reserve US$'000	Capital reserves US$'000	Revenue reserve US$'000	Total US$'000
For the six months ended 30 June 2023 (unaudited)								
At 31 December 2022		3,163	11,719	5,824	4,356	114,343	8,706	148,111
Total comprehensive income:								
Net profit for the period		–	–	–	–	32,439	4,494	36,933
Transaction with owners, recorded directly to equity:								
Dividends paid[1]	5	–	–	–	–	–	(7,509)	(7,509)
At 30 June 2023		**3,163**	**11,719**	**5,824**	**4,356**	**146,782**	**5,691**	**177,535**
For the six months ended 30 June 2022 (unaudited)								
At 31 December 2021		4,144	11,719	4,843	4,356	165,947	3,829	194,838
Total comprehensive (loss)/income:								
Net (loss)/profit for the period		–	–	–	–	(9,529)	6,767	(2,762)
Transaction with owners, recorded directly to equity:								
Tender offer[2]		(981)	–	981	–	(51,017)	–	(51,017)
Tender offer costs		–	–	–	–	(376)	–	(376)
Dividends paid[3]	5	–	–	–	–	–	(5,484)	(5,484)
At 30 June 2022		**3,163**	**11,719**	**5,824**	**4,356**	**105,025**	**5,112**	**135,199**
For the year ended 31 December 2022 (audited)								
At 31 December 2021		4,144	11,719	4,843	4,356	165,947	3,829	194,838
Total comprehensive (loss)/income:								
Net (loss)/profit for the year		–	–	–	–	(173)	13,842	13,669
Transactions with owners, recorded directly to equity:								
Tender offer[2]		–	–	–	–	(51,017)	–	(51,017)
Tender offer cost		–	–	–	–	(414)	–	(414)
Cancellation of shares		(981)	–	981	–	–	–	–
Dividends paid[4]	5	–	–	–	–	–	(8,965)	(8,965)
At 31 December 2022		**3,163**	**11,719**	**5,824**	**4,356**	**114,343**	**8,706**	**148,111**

[1] Quarterly dividend of 6.29 cents per share for the year ended 31 December 2022, declared on 3 January 2023 and paid on 8 February 2023; special dividend of 13.00 cents per share for the year ended 31 December 2022, declared on 3 January 2023 and paid on 8 February 2023; and quarterly dividend of 6.21 cents per share for the year ending 31 December 2023, declared on 3 April 2023 and paid on 16 May 2023.

[2] On 26 May 2022, the Company repurchased and subsequently cancelled 9,810,979 shares. The price at which tendered shares were repurchased was 417.09 pence per share.

[3] Quarterly dividend of 6.21 cents per share for the year ended 31 December 2021, declared on 4 January 2022 and paid on 8 February 2022; and quarterly dividend of 7.76 cents per share for the year ended 31 December 2022, declared on 1 April 2022 and paid on 16 May 2022.

[4] Quarterly dividend of 6.21 cents per share for the year ended 31 December 2021, declared on 4 January 2022 and paid on 8 February 2022; quarterly dividend of 7.76 cents per share for the year ended 31 December 2022, declared on 1 April 2022 and paid on 16 May 2022; quarterly dividend of 5.74 cents per share for the year ended 31 December 2022, declared on 1 July 2022 and paid on 12 August 2022; and quarterly dividend of 6.08 cents per share, declared on 3 October 2022 and paid on 9 November 2022.

For information on the Company's distributable reserves, please refer to note 9 on page 26.

The notes on pages 22 to 29 form part of these financial statements.

Balance Sheet

as at 30 June 2023

	Notes	30 June 2023 (unaudited) US$'000	30 June 2022 (unaudited) US$'000	31 December 2022 (audited) US$'000
Fixed assets				
Investments held at fair value through profit or loss		172,973	148,457	158,149
Current assets				
Debtors		1,671	1,217	1,572
Cash and cash equivalents		4,076	58	160
Total current assets		**5,747**	**1,275**	**1,732**
Creditors – amounts falling due within one year				
Bank overdraft		–	(12,993)	(10,731)
Other creditors		(1,161)	(1,516)	(1,015)
Total current liabilities		**(1,161)**	**(14,509)**	**(11,746)**
Net current assets/(liabilities)		**4,586**	**(13,234)**	**(10,014)**
Net current assets		**177,559**	**135,223**	**148,135**
Creditors – amounts falling due after more than one year				
Non-equity redeemable shares	6	(24)	(24)	(24)
		(24)	**(24)**	**(24)**
Net assets		**177,535**	**135,199**	**148,111**
Capital and reserves				
Called up share capital	8	3,163	3,163	3,163
Share premium account		11,719	11,719	11,719
Capital redemption reserve		5,824	5,824	5,824
Non-distributable reserve		4,356	4,356	4,356
Capital reserves		146,782	105,025	114,343
Revenue reserve		5,691	5,112	8,706
Total shareholders' funds	**7**	**177,535**	**135,199**	**148,111**
Net asset value per ordinary share (US$ cents)	**7**	**602.86**	**459.10**	**502.95**

The financial statements on pages 18 to 29 were approved and authorised for issue by the Board of Directors on 29 September 2023 and signed on its behalf by Carolan Dobson, Chairman.

BlackRock Latin American Investment Trust plc
Registered in England, No. 02479975

The notes on pages 22 to 29 form part of these financial statements.

Statement of Cash Flows

for the year ended 30 June 2023

	Six months ended 30 June 2023 (unaudited) US$'000	Six months ended 30 June 2022 (unaudited) US$'000	Year ended 31 December 2022 (audited) US$'000
Operating activities			
Net profit/(loss) on ordinary activities before taxation	37,377	(2,447)	14,252
Add back finance costs	171	120	324
(Gains)/losses on investments held at fair value through profit or loss	(33,031)	8,655	(1,258)
(Gains)/losses on foreign exchange	(25)	231	183
Sales of investments held at fair value through profit or loss	65,988	92,179	123,691
Purchases of investments held at fair value through profit or loss	(47,848)	(37,120)	(68,345)
Increase in other debtors	(93)	(751)	(1,100)
Increase/(decrease) in other creditors	207	209	(304)
Taxation on investment income	(444)	(326)	(594)
Net cash generated from operating activities	**22,302**	**60,750**	**66,849**
Financing activities			
Interest paid	(171)	(120)	(324)
Tender offer	–	(51,017)	(51,017)
Tender costs paid	–	(316)	(414)
Dividends paid	(7,509)	(5,484)	(8,965)
Net cash used in financing activities	**(7,680)**	**(56,937)**	**(60,720)**
Increase in cash and cash equivalents	**14,622**	**3,813**	**6,129**
Cash and cash equivalents at the beginning of the period/year	(10,571)	(16,517)	(16,517)
Effect of foreign exchange rate changes	25	(231)	(183)
Cash and cash equivalents at the end of the period/year	**4,076**	**(12,935)**	**(10,571)**
Comprised of:			
Cash at bank	4,076	58	160
Bank overdraft	–	(12,993)	(10,731)
	4,076	**(12,935)**	**(10,571)**

The notes on pages 22 to 29 form part of these financial statements.

Notes to the financial statements

for the six months ended 30 June 2023

1. Principal activity and basis of preparation

The principal activity of the Company is that of an investment trust company within the meaning of Section 1158 of the Corporation Tax Act 2010.

The financial statements of the Company are prepared on a going concern basis in accordance with Financial Reporting Standard 104 Interim Financial Reporting (FRS 104) applicable in the United Kingdom and Republic of Ireland and the revised Statement of Recommended Practice – Financial Statements of Investment Trusts Companies and Venture Capital Trusts (SORP) issued by the Association of Investment Companies (AIC) in October 2019, and updated in July 2022, and the provisions of the Companies Act 2006.

The accounting policies and estimation techniques applied for the condensed set of financial statements are as set out in the Company's Annual Report and Financial Statements for the year ended 31 December 2022.

2. Income

	Six months ended 30 June 2023 (unaudited) US$'000	Six months ended 30 June 2022 (unaudited) US$'000	Year ended 31 December 2022 (audited) US$'000
Investment income:			
Overseas dividends	5,261	7,066	14,515
Overseas REIT distributions	212	254	421
Overseas special dividends	30	258	480
Fixed interest income	–	21	22
	5,503	**7,599**	**15,438**
Other income:			
Deposit interest	21	18	21
Total income	**5,524**	**7,617**	**15,459**

Dividends and interest received in cash during the period amounted to US$5,058,000 and US$21,000 (six months ended 30 June 2022: US$6,382,000 and US$42,000; year ended 31 December 2022: US$14,413,000 and US$45,000).

There were no special dividends recognised in capital in the period (six months ended 30 June 2022: US$nil; year ended 31 December 2022: US$nil).

3. Investment management fee

	Six months ended 30 June 2023 (unaudited)			Six months ended 30 June 2022 (unaudited)			Year ended 31 December 2022 (audited)		
	Revenue US$'000	Capital US$'000	Total US$'000	Revenue US$'000	Capital US$'000	Total US$'000	Revenue US$'000	Capital US$'000	Total US$'000
Investment management fee	161	482	643	186	558	744	333	999	1,332
Total	**161**	**482**	**643**	**186**	**558**	**744**	**333**	**999**	**1,332**

Under the terms of the investment management agreement, BFM is entitled to a fee of 0.80% per annum based on the Company's daily Net Asset Value (NAV). The fee is levied quarterly.

The investment management fee is allocated 25% to the revenue account and 75% to the capital account of the Income Statement. There is no additional fee for company secretarial and administration services.

4. Other operating expenses

	Six months ended 30 June 2023 (unaudited) US$'000	Six months ended 30 June 2022 (unaudited) US$'000	Year ended 31 December 2022 (audited) US$'000
Allocated to revenue:			
Custody fee	15	23	35
Depositary fees[1]	7	7	15
Auditors' remuneration[2]	31	24	50
Registrar's fees	21	15	33
Directors' emoluments	117	104	231
Marketing fees	48	54	83
Postage and printing fees	46	14	45
AIC fees	–	6	–
Broker fees	22	19	38
Employer NI contributions	16	10	23
FCA fees	6	5	10
Write back of prior year expenses[3]	(6)	(10)	(23)
Other administration costs	59	37	69
	382	**308**	**609**
Allocated to capital:			
Custody transaction charges[4]	7	6	17
	389	**314**	**626**

1 All expenses other than depositary fees are paid in Sterling and are therefore subject to exchange rate fluctuations.

2 No non-audit services are provided by the Company's auditors.

3 Relates to prior year accrual for AIC fees and miscellaneous fees written back during the six month period ended 30 June 2023 (six months ended 30 June 2022: postage and printing fees and other administration costs; year ended 31 December 2022: postage and printing fees, broker fees and other administration costs).

4 For the six month period ended 30 June 2023, expenses of US$7,000 (six months ended 30 June 2022: US$6,000; year ended 31 December 2022: US$17,000) were charged to the capital account of the Income Statement. These relate to transaction costs charged by the custodian on sale and purchase trades.

The direct transaction costs incurred on the acquisition of investments amounted to US$51,000 for the six months ended 30 June 2023 (six months ended 30 June 2022: US$60,000; year ended 31 December 2022: US$93,000). Costs relating to the disposal of investments amounted to US$83,000 for the six months ended 30 June 2023 (six months ended 30 June 2022: US$86,000; year ended 31 December 2022: US$119,000). All transaction costs have been included within the capital reserves.

Notes to the financial statements
continued

5. Dividends

The Company's cum-income US Dollar NAV at 31 March 2023 was 496.41 cents per share, and the Directors declared a first quarterly interim dividend of 6.21 cents per share. The dividend was paid on 16 May 2023 to holders of ordinary shares on the register at the close of business on 14 April 2023.

In accordance with FRS 102 Section 32 Events After the End of the Reporting Period, the final dividend payable on ordinary shares is recognised as a liability when approved by shareholders. Interim dividends are recognised only when paid.

Dividends on equity shares paid during the period were:

	Six months ended 30 June 2023 (unaudited) US$'000	**Six months ended 30 June 2022 (unaudited) US$'000**	**Year ended 31 December 2022 (audited) US$'000**
Quarter to 31 December 2021 - dividend of 6.21 cents	–	2,438	2,438
Quarter to 31 March 2022 - dividend of 7.76 cents	–	3,046	3,047
Quarter to 30 June 2022 - dividend of 5.74 cents	–	–	1,690
Quarter to 30 September 2022 - dividend of 6.08 cents	–	–	1,790
Quarter to 31 December 2022 – dividend of 6.29 cents	1,852	–	–
Special dividend for year to 31 December 2022 - 13.00 cents	3,828	–	–
Quarter to 31 March 2023 – dividend of 6.21 cents	1,829	–	–
	7,509	**5,484**	**8,965**

6. Creditors – amounts falling due after more than one year

	As at 30 June 2023 (unaudited) US$'000	**As at 30 June 2022 (unaudited) US$'000**	**As at 31 December 2022 (audited) US$'000**
Non-equity redeemable shares	24	24	24
	24	**24**	**24**

At 30 June 2023 the Company had net surplus management expenses of US$868,000 (30 June 2022: US$1,030,000; 31 December 2022: US$868,000) and a non-trade loan relationship deficit of US$1,606,000 (30 June 2022: US$1,308,000; 31 December 2022: US$1,606,000). A deferred tax asset was not recognised in the period ended 30 June 2023 or in the year ended 31 December 2022 as it was unlikely that there would be sufficient future taxable profits to utilise these expenses.

Non-equity redeemable shares

The redeemable shares of £1 each carry the right to receive a fixed dividend at the rate of 0.10% per annum on the nominal amount thereof. They are capable of being redeemed by the Company at any time and confer no rights to receive notice of, attend or vote at general meetings except where the rights of holders are to be varied or abrogated. On a winding up, the capital paid up on such shares ranks *pari passu* with, and in proportion to, any amounts of capital paid to the holders of ordinary shares, but does not confer any further right to participate in the surplus assets of the Company.

7. Earnings and net asset value per ordinary share

Revenue, capital earnings/(loss) and net asset value per ordinary share are shown below and have been calculated using the following:

	Six months ended 30 June 2023 (unaudited)	Six months ended 30 June 2022 (unaudited)	Year ended 31 December 2022 (audited)
Net revenue profit attributable to ordinary shareholders (US$'000)	4,494	6,767	13,842
Net capital profit/(loss) attributable to ordinary shareholders (US$'000)	32,439	(9,529)	(173)
Total profit/(loss) attributable to ordinary shareholders (US$'000)	**36,933**	**(2,762)**	**13,669**
Total shareholders' funds (US$'000)	**177,535**	**135,199**	**148,111**
The weighted average number of ordinary shares in issue during the period on which the earnings per ordinary share was calculated was:	29,448,641	37,362,470	33,373,033
The actual number of ordinary shares in issue at the end of each period on which the net asset value per ordinary share was calculated was:	29,448,641	29,448,641	29,448,641
The number of ordinary shares in issue, including treasury shares at the period/year end was:	31,630,303	31,630,303	31,630,303
Earnings per share			
Calculated on weighted average number of ordinary shares:			
Revenue earnings per share (US$ cents) - basic and diluted	15.26	18.11	41.48
Capital earnings/(loss) per share (US$ cents) – basic and diluted	110.15	(25.50)	(0.52)
Total earnings/(loss) per share (US$ cents) – basic and diluted	**125.41**	**(7.39)**	**40.96**

	As at 30 June 2023 (unaudited)	As at 30 June 2022 (unaudited)	As at 31 December 2022 (audited)
Net asset value per ordinary share (US$ cents)	602.86	459.10	502.95
Ordinary share price (mid-market) (US$ cents)[1]	513.63	431.13	457.10

[1] Based on an exchange rate of US$1.27 to £1 (30 June 2022: US$1.21; 31 December 2022: US$1.20).

There were no dilutive securities at 30 June 2023 (30 June 2022: nil; 31 December 2022: nil).

8. Called up share capital

	Ordinary shares number	Treasury shares number	Total shares number	Nominal value US$'000
Allotted, called up and fully paid share capital comprised: **Ordinary shares of 10 cents each:**				
At 31 December 2022	**29,448,641**	**2,181,662**	**31,630,303**	**3,163**
At 30 June 2023	**29,448,641**	**2,818,662**	**31,630,303**	**3,163**

During the six months ended 30 June 2023, no ordinary shares were repurchased (six months ended 30 June 2022: 9,810,979 shares for a total cost of US$51,393,000; year ended 31 December 2022: 9,810,979 shares for a total cost of US$51,431,000).

The ordinary shares give shareholders voting rights, the entitlement to all of the capital growth in the Company's assets, and to all income from the Company that is resolved to be distributed.

Notes to the financial statements
continued

9. Reserves

The share premium and capital redemption reserve are not distributable reserves under the Companies Act 2006. In accordance with ICAEW Technical Release 02/17BL on Guidance on Realised and Distributable Profits under the Companies Act 2006, the special reserve and capital reserve may be used as distributable reserves for all purposes and, in particular, the repurchase by the Company of its ordinary shares and for payments as dividends. In accordance with the Company's Articles of Association, the special reserve, capital reserve and the revenue reserve may be distributed by way of dividend. The gain on the capital reserve arising on the revaluation of investments of US$24,454,000 (30 June 2022: loss of US$11,041,000; 31 December 2022: gain of US$165,000) is subject to fair value movements and may not be readily realisable at short notice, as such it may not be entirely distributable. The investments are subject to financial risks; as such capital reserves (arising on investments sold) and the revenue reserve may not be entirely distributable if a loss occurred during the realisation of these investments.

10. Valuation of financial instruments

The Company's investment activities expose it to the various types of risk which are associated with the financial instruments and markets in which it invests. The risks are substantially consistent with those disclosed in the previous annual financial statements with the exception of those outlined below.

Market risk arising from price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting similar financial instruments traded in the market. Local, regional or global events such as war, acts of terrorism, the spread of infectious illness or other public health issues, recessions, climate change or other events could have a significant impact on the Company and its investments.

The current environment of heightened geopolitical risk given the war in Ukraine has undermined investor confidence and market direction. In addition to the tragic and devastating events in Ukraine, the war has constricted supplies of key commodities, pushing prices up and creating a level of market uncertainty and volatility which is likely to persist for some time.

Valuation of financial instruments

Financial assets and financial liabilities are either carried in the Balance Sheet at their fair value (investments) or at an amount which is a reasonable approximation of fair value (due from brokers, dividends and interest receivable, due to brokers, accruals, cash and cash equivalents and overdrafts). Section 34 of FRS 102 requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The valuation techniques used by the Company are explained in the accounting policies note on page 84 of the Annual Report and Financial Statements for the year ended 31 December 2022.

Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant asset.

The fair value hierarchy has the following levels:

Level 1 – Quoted market price for identical instruments in active markets

A financial instrument is regarded as quoted in an active market if quoted prices are readily available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis. These include exchange traded derivatives. The Company does not adjust the quoted price for these instruments.

Level 2 – Valuation techniques using observable inputs

This category includes instruments valued using quoted prices for similar instruments in markets that are considered less active, or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Valuation techniques used for non-standardised financial instruments such as over-the-counter derivatives, include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity specific inputs.

Level 3 – Valuation techniques using significant unobservable inputs

This category includes all instruments where the valuation technique includes inputs not based on market data and these inputs could have a significant impact on the instrument's valuation.

This category also includes instruments that are valued based on quoted prices for similar instruments where significant entity determined adjustments or assumptions are required to reflect differences between the instruments and instruments for which there is no active market. The Investment Manager considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement.

Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability including an assessment of the relevant risks including but not limited to credit risk, market risk, liquidity risk, business risk and sustainability risk. The determination of what constitutes 'observable' inputs requires significant judgement by the Investment Manager and these risks are adequately captured in the assumptions and inputs used in measurement of Level 3 assets or liabilities.

Fair values of financial assets and financial liabilities

The table below is an analysis of the Company's financial instruments measured at fair value at the balance sheet date.

Financial assets at fair value through profit or loss at 30 June 2023 (unaudited)	**Level 1 US$'000**	**Level 2 US$'000**	**Level 3 US$'000**	**Total US$'000**
Equity investments	172,973	–	–	172,973
Total	**172,973**	**–**	**–**	**172,973**

Financial assets at fair value through profit or loss at 30 June 2022 (unaudited)	**Level 1 US$'000**	**Level 2 US$'000**	**Level 3 US$'000**	**Total US$'000**
Equity investments	148,457	–	–	148,457
Total	**148,457**	**–**	**–**	**148,457**

Financial assets at fair value through profit or loss at 31 December 2022 (audited)	**Level 1 US$'000**	**Level 2 US$'000**	**Level 3 US$'000**	**Total US$'000**
Equity investments	158,149	–	–	158,149
Total	**158,149**	**–**	**–**	**158,149**

The Company held no Level 3 securities as at 30 June 2023 (30 June 2022: none; 31 December 2022: none).

For exchange listed equity investments the quoted price is the bid price. Substantially all investments are valued based on unadjusted quoted market prices. Where such quoted prices are readily available in an active market, such prices are not required to be assessed or adjusted for any business risks, including climate risk, in accordance with the fair value related requirements of the Company's financial reporting framework.

Notes to the financial statements
continued

11. Transactions with the Investment Manager and AIFM

BlackRock Fund Managers Limited (BFM) provides management and administration services to the Company under a contract which is terminable on six months' notice. BFM has (with the Company's consent) delegated certain portfolio and risk management services, and other ancillary services, to BlackRock Investment Management (UK) Limited (BIM (UK)). Further details of the investment management contract are disclosed on pages 47 and 48 of the Directors' Report in the Company's Annual Report and Financial Statements for the year ended 31 December 2022.

The investment management fee is levied quarterly, based on 0.80% per annum of the net asset value. The investment management fee due for the six months ended 30 June 2023 amounted to US$643,000 (six months ended 30 June 2022: US$744,000; year ended 31 December 2022: US$1,332,000). At the period end, an amount of US$643,000 was outstanding in respect of these fees (30 June 2022: US$751,000; 31 December 2022: US$588,000).

In addition to the above services BIM (UK) has provided the Company with marketing services. The total fees paid or payable for these services for the period ended 30 June 2023 amounted to US$48,000 excluding VAT (six months ended 30 June 2022: US$54,000; year ended 31 December 2022: US$83,000). Marketing fees of US$128,000 were outstanding at 30 June 2023 (30 June 2022: US$162,000; 31 December 2022: US$81,000).

During the period, the Manager pays the amounts due to the Directors. These fees are then reimbursed by the Company for the amounts paid on its behalf. As at 30 June 2023, an amount of US$227,000 (30 June 2022: US$109,000; 31 December 2022: US$110,000) was payable to the Manager in respect of Directors' fees.

The ultimate holding company of the Manager and the Investment Manager is BlackRock, Inc., a company incorporated in Delaware, USA.

12. Related party disclosure

Directors' emoluments

The Board consists of four non-executive Directors, all of whom are considered to be independent of the Manager by the Board. None of the Directors has a service contract with the Company. The Chairman receives an annual fee of £50,200, the Chairman of the Audit Committee receives an annual fee of £38,600, the Senior Independent Director and Chairman of the Remuneration Committee receives an annual fee of £36,400 and each of the other Directors receives an annual fee of £34,300.

At the period end and as at the date of this report members of the Board held ordinary shares in the Company as set out below:

	As at 29 September 2023 Ordinary shares	**As at 30 June 2023 Ordinary shares**
Carolan Dobson (Chairman)	4,792	4,792
Craig Cleland	12,000	12,000
Laurie Meister	2,915	2,915
Nigel Webber	5,000	5,000

Significant holdings

The following investors are:

a. funds managed by the BlackRock Group or are affiliates of BlackRock, Inc. (Related BlackRock Funds); or

b. investors (other than those listed in (a) above) who held more than 20% of the voting shares in issue in the Company and are as a result, considered to be related parties to the Company (Significant Investors).

As at 30 June 2023

Total % of shares held by Related BlackRock Funds	Total % of shares held by Significant Investors who are not affiliates of BlackRock Group or BlackRock, Inc.	Number of Significant Investors who are not affiliates of BlackRock Group or BlackRock, Inc.
1.2	21.2	1

As at 31 December 2022

Total % of shares held by Related BlackRock Funds	Total % of shares held by Significant Investors who are not affiliates of BlackRock Group or BlackRock, Inc.	Number of Significant Investors who are not affiliates of BlackRock Group or BlackRock, Inc.
1.7	20.7	1

13. Contingent liabilities

There were no contingent liabilities at 30 June 2023 (30 June 2022: none; 31 December 2022: none).

14. Publication of non-statutory accounts

The financial information contained in this Half Yearly Financial Report does not constitute statutory accounts as defined in Section 435 of the Companies Act 2006. The financial information for the six months ended 30 June 2023 and 30 June 2022 has not been audited or reviewed by the Company's auditors.

The information for the year ended 31 December 2022 has been extracted from the latest published audited financial statements, which have been filed with the Registrar of Companies. The report of the auditor in those financial statements contained no qualification or statement under Sections 498(2) or (3) of the Companies Act 2006.

15. Annual results

The Board expects to announce the annual results for the year ending 31 December 2023 in March 2024. Copies of the results announcement can be obtained from the Secretary on 020 7743 3000 or by email at cosec@blackrock.com. The Annual Report and Financial Statements should be available by mid-March 2024, with the Annual General Meeting being held in May 2024.

Directors, management and other service providers

Directors
Carolan Dobson (Chairman)
Craig Cleland (Chairman of the Audit Committee)
Mahrukh Doctor (retired as a Director on 31 March 2023)
Laurie Meister
Nigel Webber

Registered Office
(Registered in England, No. 2479975)
12 Throgmorton Avenue
London EC2N 2DL

Alternative Investment Fund Manager
BlackRock Fund Managers Limited[1,2]
12 Throgmorton Avenue
London EC2N 2DL
Telephone: 020 7743 3000

Investment Manager and Secretary
BlackRock Investment Management (UK) Limited[1,3]
12 Throgmorton Avenue
London EC2N 2DL
Telephone: 020 7743 3000
Email: cosec@blackrock.com

Independent Auditor
Ernst & Young LLP
Chartered Accountants and Statutory Auditors
25 Churchill Place
London E14 5EY

Depositary, Custodian and Banker
The Bank of New York Mellon (International) Limited[1]
160 Queen Victoria Street
London EC4V 4LA

Stockbrokers
Cavendish Securities plc[1]
6-8 Tokenhouse Yard
London EC2R 7AS

Solicitors
Norton Rose Fulbright LLP
3 More London Riverside
London SE1 2AQ

Registrar
Computershare Investor Services PLC[1]
The Pavilions
Bridgwater Road
Bristol BS99 6ZZ
Telephone: 0370 707 1112

[1] Authorised and regulated by the Financial Conduct Authority.

[2] BlackRock Fund Managers (BFM) was appointed as the Alternative Investment Fund Manager on 2 July 2014. BlackRock Investment Management (UK) Limited continues to act as the Investment Manager of the Company under a delegation agreement with BFM.

[3] BIM (UK) Limited has delegated certain of its responsibilities and functions, including its discretionary management of the Company's portfolio, to the US based equity income investments' team who are employed by BlackRock Investment Management LLC (BIM LLC), a limited liability company incorporated in Delaware which is regulated by the US Securities and Exchange Commission. The registered address of BIM LLC is 100 Bellevue Parkway, Wilmington, Delaware 19809, USA.

Shareholder information

Contact information

General enquiries about the Company should be directed to:

The Company Secretary
BlackRock Latin American Investment Trust plc
12 Throgmorton Avenue
London EC2N 2DL
Telephone: 020 7743 3000
Email: cosec@blackrock.com

Website

www.blackrock.com/uk/brla

Shareholder enquiries

The Company's registrar is Computershare Investor Services PLC. Certain details relating to your holding can be checked through the Computershare Investor Centre website. As a security check, specific information will be required to gain access to your account, including your shareholder reference number available from your most recent dividend voucher or other communication received from the registrar. Computershare's website address is investorcentre.co.uk. Alternatively, please contact the registrar on 0370 707 1112.

Changes of name or address must be notified in writing either through Computershare's website or to the registrar at:

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS99 6ZZ

Dividend tax allowance

The annual tax-free allowance on dividend income across an individual's entire share portfolio reduced to £1,000 from 6 April 2023 and will reduce again to £500 from 6 April 2024. Above this amount, individuals pay tax on their dividend income at a rate dependent on their income tax bracket and personal circumstances.

The Company continues to provide registered shareholders with confirmation of the dividends paid and this should be included with any other dividend income received when calculating and reporting total dividend income received. It is a shareholder's responsibility to include all dividend income when calculating any tax liability.

If you have any tax queries, please contact a financial advisor.

Results

Full year announced in March/April.
Half year announced in September.

Annual general meeting

May

Glossary

Alternative Performance Measure (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 Half Yearly Financial Report.

American Depositary Receipt (ADR) and American Depositary Share (ADS)

ADRs and ADSs are certificates that represent shares in the relevant stock and are issued by a US bank. They are denominated and pay dividends in US Dollars.

Annualised return with dividends reinvested*

The annualised total return of the Company and the benchmark is their average return earned each year over a given time period, in this case over 18 months.

The inputs that have been used to calculate the annualised total return of the NAV and benchmark and outperformance of the NAV over 18 months are shown in the following table.

Annualised NAV return with dividends reinvested	**Page**	**30 June 2023**	
Closing NAV per share (cents)	25	602.86	
Add back dividends (cents)	24	51.29	
Effect of dividend reinvestment (cents)		11.22	
Adjusted closing NAV (cents)		665.37	(a)
NAV per share as at 31 December 2021 (cents)	25	496.39	(b)
Cumulative NAV return over 18 months (c = ((a – b)/b)) (%)		34.00	(c)
Number of months in period		18	(d)
Annualised NAV return with dividends reinvested (e = ((1 + c) ^ (12/d))–1) (%)		**21.54**	(e)

Annualised benchmark return with dividends reinvested	**30 June 2023**	
Closing benchmark	570.89	(f)
Opening benchmark as at 31 December 2021	442.22	(g)
Cumulative benchmark return over 18 months (h = ((f – g)/g)) (%)	29.10	(h)
Annualised benchmark return with dividends reinvested (j = ((1 + h) ^ (12/d))–1) (%)	**18.56**	(j)

Annualised NAV outperformance	**30 June 2023**	
Annualised NAV return (%)	21.54	(e)
Annualised benchmark return (%)	18.56	(j)
NAV outperformance (k = e – j) (%)	**2.98**	(k)

Benchmark

The Company's benchmark index, used for performance comparative purposes is the MSCI EM Latin America Index (net return, on a US Dollar basis) with dividends reinvested.

Benchmark outperformance/underperformance is measured by comparing the Company's net asset value (NAV) total return, with the performance of the benchmark index with dividends reinvested.

As at 30 June 2023, the Company's NAV return with dividends reinvested was 25.8% and the net return of the benchmark index with dividends reinvested was 18.5%, therefore the Company's outperformance of the benchmark index for the period was 7.3 percentage points in US Dollar terms.

In Sterling terms, the Company's NAV return with dividends reinvested was 18.8% and the net return of the benchmark index with dividends reinvested was 12.1%, therefore the Company's outperformance of the benchmark index for the period was 6.7 percentage points.

Closed-end company

An investment trust works along the same lines as a unit trust, in that it pools money from investors which is then managed on a collective basis. The main difference is that an investment trust is a company listed on the Stock Exchange and, in most cases, trading takes place in shares which have already been issued, rather than through the creation or redemption of units. As the number of shares which can be issued or cancelled at any one time is limited, and requires the approval of existing shareholders, investment trusts are known as closed-end funds or companies. This means that investment trusts are not subject to the same liquidity constraints as open-ended funds and can therefore invest in less liquid investments.

Definition of Adjusted Capital and Reserves

As noted on page 34 of the Annual Report and Financial Statements, the Company's Articles limit borrowing to 100% of Adjusted Capital and Reserves. Adjusted Capital and Reserves is defined for these purposes as follows:

A sum equal to the aggregate from time to time of:

(i) the amount paid up (or credited as or deemed to be paid up) on the issued share capital of the Company; and

(ii) the amount standing to the credit of the capital and revenue reserves of the Company (including without limitation any share premium account or capital redemption reserve) after adding thereto or deducting therefrom any balance outstanding to the credit or debit of the profit and loss account of the Company;

based on a consolidation of the then latest audited balance sheet of the Company (or until there shall have been a first audited balance sheet of the Company, such pro-forma balance sheet of the Company as shall have been included in a prospectus delivered to the Registrar of Companies in accordance with the Companies Act) after excluding reserves and any balances on profit and loss account of companies other than members of the Company and after:

- making such adjustments as may be appropriate in respect of any variation in the amount of the paid up share capital or any such capital reserves subsequent to the relevant balance sheet date; and so that for the purpose of making such adjustments, if any issue or proposed issue of shares by the Company for cash has been underwritten, then such shares shall be deemed to have been issued and the amount (including the premium) of the subscription moneys payable in respect thereof (not being monies payable later than six months after the date of allotment) shall to the extent so underwritten, be deemed to have been paid up on the date when the issue of such shares was underwritten (or, if such underwriting was conditional, the date on which it became unconditional);

- making such adjustments as may be appropriate in respect of any dividends or other distributions declared, recommended, paid or made by the Company (otherwise than attributable directly or indirectly to the Company) out of profits earned up to and including the date of the latest audited balance sheet of the Company or its subsidiaries (as the case may be) to the extent that such distribution is not provided for in such balance sheet;

- making such adjustments as may be appropriate in respect of any variation in the interests of the Company in its subsidiaries (where relevant) since the date of the latest audited balance sheet of the Company;

- if the calculation is required for the purposes of or in connection with a transaction under or in connection with which any company is to become or cease to be a subsidiary, making such adjustments as would be appropriate if such transaction had been carried into effect;

- excluding minority interests in subsidiaries;

- excluding any amount for goodwill or other intangible asset (not being an amount representing part of the cost of an acquisition of shares or other property) incorporated as an asset in the audited balance sheet; and

- making such other adjustments (if any) as the Auditor considers appropriate.

Discount and premium*

Investment trust shares can frequently trade at a discount to 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 2023, the share price was 513.63c (30 June 2022: 431.13c; 31 December 2022: 457.10c) and the NAV per share was 602.86c (30 June 2022: 459.10c; 31 December 2022: 502.95c), giving a discount of 14.8% (30 June 2022: 6.1%;

*Alternative Performance Measure.

31 December 2022: 9.1%) (please see note 7 of the financial statements on page 25 for the inputs to the calculation at 30 June 2023, 30 June 2022 and 31 December 2022).

A premium occurs when the share price is more than the NAV and investors would therefore be paying more than the value attributable to the shares by reference to the underlying assets. For example, if the share price was 370c and the NAV 365c, the premium would be 1.4%.

Discounts and premiums are mainly the consequence of supply and demand for the shares on the stock market.

Gearing and borrowings*

Investment companies can borrow to purchase additional investments. This is called 'gearing'. It allows investment companies to take advantage of a long-term view on a sector, to take advantage of a favourable situation or a particularly attractive stock without having to sell existing investments.

Gearing works by magnifying a company's performance. If a company 'gears up' and then markets rise and returns on the investments outstrip the costs of borrowing, the overall returns to investors will be even greater. But if markets fall and the performance of the assets in the portfolio is poor, then losses suffered by the investor will also be magnified.

The Company may achieve gearing through borrowings or the effect of gearing through an appropriate balance of equity capital and borrowings.

Gearing is calculated in line with AIC guidelines and represents net gearing. This is defined as total assets of the Company less current liabilities (excluding bank overdrafts), less any cash or cash equivalents held minus total shareholders' funds, divided by total shareholders' funds. Cash and cash equivalents are defined by the AIC as net current assets or net current liabilities (as relevant). To the extent that the Company has net current liabilities, the net current liabilities total is added back to the total assets of the Company to calculate the numerator in this equation. The calculation and the various inputs are set out in the following table.

Net gearing calculation	**Page**	**30 June 2023 US$'000 (unaudited)**	**30 June 2022 US$'000 (unaudited)**	**31 December 2022 US$'000 (audited)**	
Net assets	20	177,535	135,199	148,111	(a)
Borrowings	20	–	12,993	10,731	(b)
Total assets (a + b)		177,535	148,192	158,842	(c)
Current assets[1]	20	5,747	1,275	1,732	(d)
Current liabilities (excluding borrowings)	20	(1,161)	(1,516)	(1,015)	(e)
Cash and cash equivalents (d + e)		4,586	(241)	717	(f)
Net gearing figure (g = (c – f)/a) (%)		**nil**	**109.8**	**106.8**	(g)

[1] Includes cash at bank.

The inputs for this calculation can be found in the Balance Sheet on page 20.

The Company's average gearing for the period, based on month end gearing figures calculated in accordance with AIC guidelines, was 3.0%.

Leverage

Leverage is defined in the AIFM Directive as "any method by which the AIFM increases the exposure of an AIF it manages whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means".

Leverage is measured in terms of 'exposure' and is expressed as a ratio of net asset value:

$$\text{Leverage ratio} = \frac{\text{Total assets}}{\text{Net assets}}$$

*Alternative Performance Measure.

The Directive sets out two methodologies for calculating exposure. These are the Gross Method and the Commitment Method. The treatment of cash and cash equivalent balances in terms of calculating what constitutes an 'exposure' under AIFMD differs for these two methods. The definitions for calculating the Gross Method exposures require that "the value of any cash and cash equivalents which are highly liquid investments held in the base currency of the AIF, that are readily convertible to a known amount of cash, are subject to an insignificant risk of change in value and provide a return no greater than the rate of a three-month high quality government bond" should be excluded from exposure calculations.

NAV and share price return (return with dividends reinvested)*

Performance statistics enable the investor to make performance comparisons between investment trusts with different dividend policies. The performance measures the combined effect of any dividends paid, together with the rise or fall in the share price or NAV. This is calculated by the movement in the share price or NAV plus the dividends paid by the Company assuming these are reinvested in the Company at the prevailing NAV/share price (please see note 7 of the financial statements for the inputs to the calculations).

NAV performance (US Dollar)	Page	Six months to 30 June 2023 (unaudited)	Six months to 30 June 2022 (unaudited)	Year ended 31 December 2022 (audited)	
Closing NAV per share (cents)	25	602.86	459.10	502.95	
Add back quarterly dividends (cents)	24	25.50	13.97	25.79	
Effect of dividend reinvestment (cents)		4.12	(2.19)	0.36	
Adjusted closing NAV (cents)		632.48	470.88	529.10	(a)
Opening NAV per share (cents)	25	502.95	496.28	496.28	(b)
NAV total return (c = ((a - b)/b)) (%)		**25.8**	**(5.1)**	**6.6**	(c)

Share price performance (US Dollar)	Page	Six months to 30 June 2023 (unaudited)	Six months to 30 June 2022 (unaudited)	Year ended 31 December 2022 (audited)	
Closing share price (cents)[1]	25	513.63	431.13	457.10	
Add back quarterly dividends (cents)	24	25.50	13.97	25.79	
Effect of dividend reinvestment (cents)		2.61	(2.27)	0.19	
Adjusted closing share price (cents)		541.74	442.83	483.08	(a)
Opening share price (cents)[1]	25	457.10	461.19	461.19	(b)
Share price total return (c = ((a - b)/b)) (%)		**18.5**	**(4.0)**	**4.7**	(c)

[1] Based on an exchange rate of US$1.27 to £1 at 30 June 2023 (30 June 2022: US$1.21; 31 December 2022: US$1.20).

Share price performance (Sterling)	Page	Six months to 30 June 2023 (unaudited)	Six months to 30 June 2022 (unaudited)	Year ended 31 December 2022 (audited)	
Closing share price (pence)	25	404.00	355.00	380.00	
Add back quarterly dividends (pence)	24	20.58	10.72	20.86	
Effect of dividend reinvestment (pence)		1.27	(0.86)	0.82	
Adjusted closing share price (pence)		425.85	364.86	401.68	(a)
Opening share price (pence)	25	380.00	340.50	340.50	(b)
Share price total return (c = ((a - b)/b)) (%)		**12.1**	**7.2**	**18.0**	(c)

Net asset value per share (Cum income NAV)

This is the value of the Company's assets attributable to one ordinary share. Cum income NAV includes all current year income, less the value of any dividends paid in respect of the period together with the value of any dividends which have been declared and marked ex dividend but not yet paid.

*Alternative Performance Measure.

It is calculated by dividing "total shareholders' funds" by the total number of ordinary shares in issue (excluding treasury shares). As at 30 June 2023 equity shareholders' funds were worth US$177,535,000 (30 June 2022: US$135,199,000; 31 December 2022: US$148,111,000); there were 29,448,641 (30 June 2022: 29,448,641; 31 December 2022: 29,448,641) ordinary shares in issue, the NAV was therefore 602.86 cents per share (30 June 2022: 459.10c; 31 December 2022: 502.95c) (please see note 7 of the notes to the financial statements for the inputs to the calculation).

Equity shareholders' funds are calculated by deducting from the Company's total assets, its current and long-term liabilities and any provision for liabilities and charges.

Net asset value per share (capital only NAV)*

The capital only NAV is a popular point of reference when comparing a range of investment trusts. This NAV focuses on the value of the Company's assets disregarding the current period revenue income, on the basis that most trusts will distribute substantially all of their income in any financial period. It is also the measure adopted by the Association of Investment Companies for preparation of statistical data. It is calculated by dividing "total shareholders' funds" (excluding current period revenue) by the total number of ordinary shares in issue (excluding treasury shares).

As at 30 June 2023, equity shareholders' funds less the current year revenue return (after interim dividends paid from current year revenue) amounted to US$174,870,000 (30 June 2022: US$131,479,000; 31 December 2022: US$139,423,000) and there were 29,448,641 (30 June 2022: 29,448,641; 31 December 2022: 29,448,641) ordinary shares in issue (excluding treasury shares); therefore the capital only NAV was 593.81 cents per share (30 June 2022: 446.47c; 31 December 2022: 473.44c).

Equity shareholders' funds (excluding current period revenue of US$174,870,000 (30 June 2022: US$131,479,000; 31 December 2022: US$139,423,000)) are calculated by deducting from the Company's net assets (US$177,535,000 (30 June 2022: US$135,199,000; 31 December 2022: US$148,111,000)) its current period revenue (US$4,494,000 (30 June 2022: US$6,767,000; 31 December 2022: US$13,842,000)) and adding back the interim dividends paid from revenue (US$1,829,000 (30 June 2022: US$3,047,000; 31 December 2022: US$5,154,000).

Ongoing charges ratio*

$$\text{Ongoing charges (\%)} = \frac{\text{Annualised ongoing charges}}{\text{Average undiluted net asset value in the period}}$$

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.

As recommended by the AIC in its guidance, ongoing charges are the Company's annualised revenue and capital expenses (excluding finance costs, direct transaction costs, custody transaction charges, VAT recovered, taxation, prior year expenses written back and certain non-recurring items) 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	**Page**	**31 December 2022 US$'000 (audited)**	**31 December 2021 US$'000 (audited)**	
Management fee	22	1,332	1,726	
Other operating expenses	23	632	783	
Total management fee and other operating expenses		1,964	2,509	(a)
Average daily net assets in the year		173,086	219,747	(b)
Ongoing charges (c = a/b) (%)		**1.13**	**1.14**	(c)

*Alternative Performance Measure.

Quoted and unquoted securities

Quoted securities are securities that trade on an exchange for which there is a publicly quoted price.

Unquoted securities are financial securities that do not trade on an exchange and for which there is not a publicly quoted price.

Revenue profit and revenue reserves

Revenue profit is the net revenue income earned after deduction of fees and expenses allocated to the revenue account and taxation suffered by the Company. The revenue reserve is the undistributed income that the Company keeps as reserves. Investment trusts do not have to distribute all the income they generate, after expenses. They may retain up to 15% of revenue generated which will be held in a revenue reserve. This reserve can be used at a later date to supplement dividend payments to shareholders.

Treasury shares

Treasury shares are shares that a company keeps in its own treasury which are not currently issued to the public. These shares do not pay dividends, have no voting rights and are not included in a company's total issued share capital amount for calculating percentage ownership. Treasury stock may have come from a repurchase or buy back from shareholders, or it may never have been issued to the public in the first place. Treasury shares may be reissued from treasury to the public to meet demand for a company's shares in certain circumstances.

Yield*

The yield is the amount of cash (in percentage terms) that is returned to the owners of the security, in the form of interest or dividends received from it. Normally, it includes only the income physically produced by the portfolio and differs from the total return calculation, which includes capital growth.

	Page	30 June 2023	30 June 2022	31 December 2022	
Quarterly dividends paid/payable (cents)[1]	19	39.12	26.27	38.87	(a)
Ordinary share price (cents)	25	513.63	431.13	457.10	(b)
Yield (c = a/b) (%)		**7.6**	**6.1**	**8.5**	(c)

[1] Comprising quarterly dividends declared/paid during the twelve months to 30 June and 31 December.

*Alternative Performance Measure.

Share fraud warning

Be ScamSmart

Investment scams are designed to look like genuine investments

Spot the warning signs

Have you been:

- **contacted out of the blue**
- **promised tempting returns and told the investment is safe**
- **called repeatedly, or**
- **told the offer is only available for a limited time?**

If so, you might have been contacted by fraudsters.

Avoid investment fraud

1. **Reject cold calls**
If you've received unsolicited contact about an investment opportunity, chances are it's a high risk investment or a scam. You should treat the call with extreme caution. The safest thing to do is to hang up.

2. **Check the FCA Warning List**
The FCA Warning List is a list of firms and individuals we know are operating without our authorisation.

3. **Get impartial advice**
Think about getting impartial financial advice before you hand over any money. Seek advice from someone unconnected to the firm that has approached you.

Report a scam

If you suspect that you have been approached by fraudsters please tell the FCA using the reporting form at **www.fca.org.uk/consumers**. You can also call the FCA Consumer Helpline on **0800 111 6768**

If you have lost money to investment fraud, you should report it to Action Fraud on 0300 123 2040 or online at www.actionfraud.police.uk

Find out more at **www.fca.org.uk/scamsmart**

Remember: if it sounds too good to be true, it probably is!

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