Templeton Emerging Markets Investment Trust PLC ("TEMIT" or "the Company")
Unaudited Half Yearly Report to 30 September 2022
Legal Entity Identifier 5493002NMTB70RZBXO96

Company Overview

Launched in June 1989, Templeton Emerging Markets Investment Trust plc ("TEMIT" or the "Company") is an investment trust that invests principally in emerging markets companies with the aim of delivering capital growth to shareholders over the long term. While the majority of the Company's shareholders are based in the UK, shares are traded on both the London and New Zealand stock exchanges.

TEMIT has a diversified portfolio of around 80 high quality companies, actively selected for their long-term growth potential and sustainable earnings, and with due regard to Environmental, Social and Governance ("ESG") attributes. TEMIT's research-driven investment approach and strong long-term performance has helped it to grow to be the largest emerging markets investment trust in the UK, with assets of £1.9 billion as at 30 September 2022. From its launch to 30 September 2022, TEMIT's net asset value ("NAV") total return was +3,481.8% compared to the benchmark total return of +1,652.7%.

The Company is governed by a Board of Directors who are committed to ensuring that shareholders' best interests, considering the wider community of stakeholders, are at the forefront of all decisions. Under the guidance of the Chairman, the Board of Directors is responsible for the overall strategy of the Company and monitoring its performance.

TEMIT at a glance

For the six months to 30 September 2022

Net asset value total return (cum-income) [a]	Share price total return[a]	MSCI Emerging Markets Index total return[a][b]	Interim dividend for the financial year 2023
-8.3%	**-8.5%**	**-7.4%**	**2.00p**
(2021: -7.5%)	(2021: -9.8%)	(2021: -1.0%)	(Interim dividend for the financial year 2022: 1.00p)

Cumulative total return to 30 September 2022 (%)[a]

	6 Months	1 Year	3 Years	5 Years	10 Years
Net asset value (cum-income)	-8.3	-18.0	-2.4	6.6	58.3
Share price	-8.5	-20.1	-3.3	6.3	53.7
MSCI Emerging Markets Index	-7.4	-12.8	4.8	11.8	66.5

[a] A glossary of alternative performance measures is included on pages 37 and 38 of the full Half Yearly Report.

[b] Source: MSCI. The Company's benchmark is the MSCI Emerging Markets Index, with net dividends reinvested.

Chairman's Statement

Market overview and investment performance

The difficult market conditions that I described in the most recent Annual Report continued during the six-month period under review. The news continues to be dominated by the Russian invasion of Ukraine and its ramifications, particularly the impact on commodity prices. While governments around the world have sought to contain the effect, particularly on fuel and food prices, there is a risk that inflation will become entrenched as workers naturally seek to counterbalance the effects of price rises with wage rises, which can form an inflationary spiral. In the developed world, central banks have sought to counter inflation expectations with increased interest rates but controlling demand while not stifling growth is very difficult to achieve. While events in Ukraine have overshadowed commodity and equity markets, there were also concerns over Chinese growth in light of the government's interventions in private companies and continued pursuit of lockdowns to control the spread of COVID-19.

The Net Asset Value ("NAV") of TEMIT's shares was volatile over the period. While by the end of August the shares had recorded a small positive return, a very difficult September followed. This resulted in a net asset value total return of -8.3%, compared with -7.4% for the benchmark index for the six months to 30 September 2022. From 30 September 2022 to 6 December 2022, it has been heartening to see a small recovery in markets. TEMIT's NAV total return over this period was 6.0% compared with 1.7% for the benchmark index.

Revenue and dividend
Net revenue earnings for the period under review amounted to 4.16 pence per share. As I have noted in the past, it is too early to predict revenues for the full year but the majority of TEMIT's earnings are typically received in the first half of the accounting year. Brazil's national oil and gas company Petroleo Brasileiro, in which the Investment Manager invested in January, rose on the back of surging oil prices, which led to strong results for the second quarter of 2022 and a dividend yield of around 20% in the same quarter. Petroleo Brasileiro's long-life oil reserves, together with its strategy of deleveraging its balance sheet and exiting non-core assets allow for a particularly strong dividend payout.

An interim dividend of 2.00 pence per share will be paid by TEMIT on 27 January 2023 to shareholders on the register on 16 December 2022. This is an increase of 1.00 pence per share compared with last year's interim dividend. This increase in the interim dividend recognises that there was a large imbalance between the interim and final dividend in recent years and shareholders should note that this increase in the interim dividend does not imply any intention to change the final dividend.

Borrowing
TEMIT has fixed borrowing of £100 million, and a revolving credit facility under which up to £120 million in flexible debt may be drawn down. As well as the fixed borrowing, throughout the period £50 million was drawn under the revolving credit facility which was subsequently repaid in October. The Investment Manager continues to take a cautious view on the deployment of borrowing in light of market circumstances. As at 30 September 2022, there was significant cash in the portfolio and, net of this cash, the portfolio was not geared. I would once again remind shareholders that the level of debt deployed is not a result of views on market direction but driven by investment opportunities presented by individual companies.

Share rating
Our managers remain very active in promoting TEMIT's shares to a wide variety of existing and potential investors and have continued with their efforts to promote the Company despite the turbulent markets. The Board was delighted that TEMIT won the award in the "Emerging Markets Equity - Active" category in the prestigious AJ Bell Fund and Investment Trust Awards in September 2022. This was the third consecutive year that we have won this award. The award is made on the basis of voting by private investors from a shortlist of open-ended funds, ETFs and investment trusts drawn up by investment experts.

The market conditions that I describe above naturally led to pressure on the discount as investors sought safe havens. The Board remains consistent in its view that share buybacks are a key tool in managing the balance between supply and demand for the shares. As set out in the most recent Annual Report, selling pressure changed dramatically following the Russian invasion of Ukraine and this has subsequently continued. In total over the six months to 30 September 2022, £18.4 million was spent on share buybacks and, as all buybacks were at a discount to the prevailing NAV, this resulted in an increase in the NAV of 0.15% to the benefit of remaining shareholders.

First Stewardship Report launched
I set out in the most recent Annual Report that effective stewardship of the Company's assets is a key element of the Board's strategy for the Company. Consideration of governance and sustainability issues has long been an integral part of our Investment Manager's approach. In order to explain in more detail their approach to this important topic, our inaugural Stewardship Report for TEMIT was published in June and is available on our website at www.temit.co.uk. This Report sets out in detail the approach to investing your Company's assets sustainably and includes TEMIT-specific case studies as well as data highlighting the depth of engagement with companies. I encourage you to download a copy if you have not already done so. The Investment Manager has also provided a brief update of its stewardship activities as part of the Investment Manager's Report.

The Board

As previously announced, Beatrice Hollond retired from the Board at this year's Annual General Meeting and Simon Jeffreys assumed the position of Senior Independent Director.

On 17 October 2022 we announced the appointment of Abigail Rotheroe as a director effective 1 November 2022. Abigail has over 20 years of investment experience, most recently as the Investment Director at Snowball Impact Management, a sustainable and impact-focused asset manager. Previously Abigail has managed retail and institutional Asia Pacific portfolios in Hong Kong and London for Schroders, HSBC Asset Management Hong Kong and Columbia Threadneedle Investments. She is a CFA Charterholder and has experience in manager selection, sustainability, and impact measurement.

Management fee reduction

As previously announced, with effect from 1 July 2022 the fee paid to Franklin Templeton was reduced to:

- 1.0% of the first £1 billion of net assets;
- 0.75% of net assets between £1 billion and £2 billion; and
- 0.5% of net assets over £2 billion.

Annual General Meeting

The Board was pleased to welcome shareholders to the AGM again in July, having been obliged to hold the previous two years' AGMs behind closed doors. All resolutions at the AGM were duly carried by a large majority and I would like to thank shareholders for their continuing support. I recognise that some shareholders are unable to attend meetings in person and if you have any questions, please send these by email to temitcosec@franklintempleton.com or via www.temit.co.uk./investor/contact-us.

Outlook

It is likely that economic and market turbulence will continue for some time and the risk of further political and economic shocks remains elevated, not least as Russia's war on Ukraine continues. The effects of high inflation, the resulting increases in interest rates and strains on currency exchange rates are foremost in many investors' minds. Uncertainties also continue in China where growth and sentiment are being impacted by the continued zero-COVID policy of the government which is currently resulting in widespread social unrest. We will continue to focus on the Chinese government's "common prosperity" agenda which has potential effects on the profitability of some companies and on overall economic growth. Geopolitical concerns, and particularly relations between China and United States, also remain a key issue.

At the time of writing the value of the US dollar against a basket of other currencies has moved down from the high levels reached in September and equity markets are showing some signs of recovery. Commentators often say that markets attempt to look 12-18 months into the future and it is possible that they are beginning to reflect an eventual economic recovery. Our aim is to produce attractive returns over the long term. Countries making up the emerging markets currently contribute a large proportion of the world's economic growth, and this appears likely to continue. The markets in which our Investment Manager seeks opportunities have many advantages, including relatively young and growing populations, growing wealth and expanding economies. Further, many of the companies in which we are able to invest are highly innovative, and in some cases have world leading products and are able to leapfrog their competitors in developed markets. As I said in the recent Annual Report, your Board remains optimistic for emerging market equities over the long term, and this view is based on both the opportunities presented and the resources which our Investment Manager deploys on shareholders' behalf.

Paul Manduca
Chairman
8 December 2022

Interim Management Report

Principal risks
The Company predominantly invests directly in the stock markets of emerging markets. The principal categories of risks facing the Company, determined by the Board and described in detail in the Strategic Report within the Annual Report and Audited Accounts, are:

- Market and geo-political;
- Pandemic;
- Cyber;
- Concentration;
- Sustainability and climate change;
- Foreign currency;
- Portfolio liquidity;
- Counterparty and credit;
- Operational and custody;
- Key personnel; and
- Regulatory.

The Board has provided the Investment Manager with guidelines and limits for the management of principal risks. The key emerging risk faced by the Company during the year to 31 March 2022 was the Russian invasion of Ukraine, and this was highlighted under geo-political and liquidity risks. The Board and Investment Manager are aware that the economic challenges continue to be the key issue affecting investment markets around the world, including the ongoing zero-COVID policy in China and its impact on economic growth as well as the continued tensions between United States and China over trade and Taiwan. There have been no further changes to the principal and emerging risks reported in the Annual Report and, in the Board's view, these principal and emerging risks are equally applicable to the remaining six months of the financial year as they were to the six months under review.

Related party transactions
There were no transactions with related parties during the period other than the fees paid to the Directors and the AIFM.

Going concern
The Company's assets consist of equity shares in companies listed on recognised stock exchanges and in most circumstances are realisable within a short timescale. Having made suitable enquiries, including consideration of the Company's objective, the nature of the portfolio, net current assets, expenditure forecasts, the principal and emerging risks and uncertainties described within the Annual Report and with due consideration to the continuing ramifications of the Russian invasion of Ukraine, the impact of the ongoing zero-COVID policy in China and the potential impact of the growing United States-China tensions around trade and Taiwan, the Directors are satisfied that the Company has adequate resources to continue to operate as a going concern for the period to 31 March 2024, which is at least 12 months from the date of approval of these Financial Statements, and are satisfied that the going concern basis is appropriate in preparing the Financial Statements.

Statement of Directors' Responsibilities
The Disclosure Guidance and Transparency Rules 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.

Each of the Directors, who are listed on page 35 of the full Half Yearly Report, confirms that to the best of their knowledge:

(a) the condensed set of Financial Statements, for the period ended 30 September 2022, have been prepared in accordance with the UK adopted International Accounting Standard (IAS) 34 "Interim Financial Reporting"; and

(b) the Half Yearly Report includes a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and a review of the information required by:

(i) DTR 4.2.7R of the Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of Financial Statements, and a description of the principal risks and uncertainties for the remaining six months of the year; and

(ii) DTR 4.2.8R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period, and any changes in the related party transactions described in the last annual report that could do so.

The Half Yearly Report was approved by the Board on 8 December 2022 and the above Statement of Directors' Responsibilities was signed on its behalf by

Paul Manduca
Chairman
8 December 2022

Investment Manager's Report

Review of performance
Emerging markets collectively declined over the six months under review as market sentiment remained weak. Rising inflation rates and the continuation of central bank interest rate increases depressed consumer and investor sentiment, although Asian emerging markets experienced lower rates of increases than elsewhere. The MSCI Emerging Markets Index returned -7.4% for the six-month period under review, whilst TEMIT delivered a net asset value total return of -8.3% (all figures are total return in sterling). Full details of TEMIT's performance are on page 1 of the full Half Yearly Report.

All regions declined during the period but Latin America was the best relative performer, as positive performance in Chile limited the region's decline. Asia was the worst performing region during the six-month period despite strong returns in India, as tech-heavy South Korea and Taiwan, as well as China, were largely responsible for the region's lagging performance.

China was TEMIT's largest market exposure, although the portfolio remained underweight relative to the benchmark. China was amongst the region's strongest markets during the first three months of the period, but regional lockdowns related to the country's zero-COVID policy, continued regulatory uncertainty and a reeling real estate market weighed on equity performance in the second three months of the period. For the six months, Chinese equities declined significantly as it dealt with a slowing economy and weak investor sentiment. However, we believe that China's government remains committed to fostering innovation as an economic growth engine, and that we will see more regulatory clarity towards the end of the year and hope that the government will also look to plan an exit from the current zero-COVID policy.

TEMIT's second-largest market position was in **South Korea**, where the portfolio was significantly overweight versus the benchmark. South Korea experienced the largest emerging market decline, as its technology-heavy market continued to struggle throughout the period. An export powerhouse, several South Korean exporters are of global importance, supplying vital hardware. World-leading semiconductor and battery makers are benefitting from the secular trends of increased computing power and greener mobility-some of which have accelerated as we emerge from the COVID-19 pandemic. South Korea's advantages in innovation and intellectual property are also evident, whilst the country's internet sector has also been thriving. However, the downtrend in the global technology sector continues to weigh and an accompanying de-rating of sector valuations affected South Korea in the third quarter of 2022.

The **Taiwanese** market also depressed the relative performance of TEMIT as its technology sector experienced lower demand and higher costs. TEMIT's overweight allocation to Taiwan is largely attributable to exposure to the island's semiconductor industry, chief amongst which was Taiwan Semiconductor Manufacturing ("TSMC"), which is also the portfolio's largest holding. Technology's role as a key economic engine has only strengthened during the pandemic. As technology has advanced, semiconductor chips have become a growing part of almost all consumer goods with the semiconductor industry experiencing a cyclical and secular boom as growing digitalisation powers a surge in demand. Historically, many chip designers outsourced manufacturing to key Taiwanese companies such as TSMC with specialised manufacturing prowess and lower costs. Some of these manufacturers are now counted amongst the largest foundries globally and can partner with, and produce chips for, clients anywhere in the world. This collaboration, rather than direct competition, is a key advantage of their business model. Over time, their advantage has shifted from primarily cost-based to one of intellectual property, with fewer competitors able to progress to the next level of technology. Although we see a promising long term for the sector, a confluence of factors makes the short term less certain. At the start of the period, concerns around component shortages and the durability of a price and demand recovery gave way to reduced demand, triggered in part by higher global interest rates and inflation. However, we maintain a positive long-term view on Taiwan's semiconductor industry. Despite growing geopolitical concerns around China's stated desire to absorb Taiwan, we expect the current status quo to remain for the time being.

Although underweight relative to the benchmark, **India** was TEMIT's fourth largest exposure at the end of September 2022. India was also a relative outperformer, benefitting from a decline in oil prices in the third quarter of the year. Over the longer-term, we expect to see continued growth in Indian earnings due to positive demographics for higher consumption, rising penetration in segments like finance and health care, and growth in digitalisation. India is also benefitting from the "China+1" strategy amongst manufacturers. This strategy sees companies establish an additional manufacturing base outside China to mitigate some of the supply chain risks encountered during COVID-19. We remain focused on being selective and identify bottom-up opportunities based on our assessment of a company's growth, quality and earnings sustainability.

Investment strategy, portfolio changes and performance attribution

The following sections show how different investment factors (stocks, sectors and geographies) accounted for the Company's performance over the period.

We continue to emphasise our investment process that selects companies based on their individual attributes and ability to generate risk-adjusted returns for investors, rather than taking a high-level view of sectors, countries or geographic regions to determine our investment allocations.

Our investment style remains resolutely centred on finding good quality companies with sustainable earnings power and whose shares trade at a discount relative to their intrinsic worth. We see high levels of leverage as a risk and we seek to avoid companies with weak balance sheets.

We continue to utilise our research-based, active approach to help us to find companies which have high standards of corporate governance, respect their shareholder base and understand the local intricacies that may determine consumer trends and habits. Utilising our large team of analysts, we aim to maintain close contact with the board and senior management of existing and potential investments and believe in engaging constructively with our investee companies.

Whilst the immediate outlook is uncertain, this approach should help us best navigate the challenging market and economic backdrop. Over time, we expect the long-term fundamentals of our holdings to remain intact.

Performance attribution analysis %

Six months to 30 September	**2022**	**2021**	**2020**	**2019**	**2018**
Net asset value total return[a]	(8.3)	(7.5)	31.3	6.3	(1.5)
Expenses incurred	0.5	0.5	0.5	0.5	0.6
Gross total return[a]	(7.8)	(7.0)	31.8	6.8	(0.9)
Benchmark total return[a]	(7.4)	(1.0)	24.4	2.2	(1.8)

Excess return[a]	(0.4)	(6.0)	7.4	4.6	0.9
Stock selection	2.9	(4.3)	2.5	2.6	(0.2)
Sector allocation	(2.2)	(1.4)	4.0	1.6	(0.5)
Currency	(1.1)	(0.5)	0.5	0.4	1.1
Share buyback impact	0.1	0.0	0.3	0.2	0.7
Residual return[a]	(0.1)	0.2	0.1	(0.2)	(0.2)
Total Investment Manager contribution	**(0.4)**	**(6.0)**	**7.4**	**4.6**	**0.9**

Source: FactSet and Franklin Templeton.

[a] A glossary of alternative performance measures is included on pages 37 and 38 of the full Half Yearly Report.

Top 10 contributors to relative performance by security (%)[a]

Top contributors	Country	Sector	Share price total return	Contribution to portfolio relative to MSCI Emerging Markets Index
ICICI Bank	India	Financials	30.1	1.8
Daqo New Energy	China/Hong Kong	Information Technology	51.2	0.8
Petroleo Brasileiro	Brazil	Energy	37.3	0.7
Bajaj Holdings & Investments[b]	India	Financials	42.8	0.5
Genpact[b][c]	United States	Information Technology	19.0	0.5
Banco Santander Mexico[b]	Mexico	Financials	26.7	0.5
Prosus[b]	China/Hong Kong	Consumer Discretionary	16.1	0.4
Unilever[b][c]	United Kingdom	Consumer Staples	17.1	0.3
Itaú Unibanco	Brazil	Financials	7.9	0.3
Guangzhou Tinci Materials Technology	China/Hong Kong	Materials	(1.1)	0.3

[a] For the period 31 March 2022 to 30 September 2022.

[b] Security not included in the MSCI Emerging Markets Index as at 30 September 2022.

[c] This security, listed on a stock exchange in a developed market, has significant exposure to operations from emerging markets.

ICICI Bank is an Indian bank engaged in retail, corporate and treasury services. The bank reported first quarter fiscal 2023 earnings which were ahead of expectations, led by a sharp increase in non-interest income and an increase in net interest margins. Momentum from a favourable quarterly report announced in late July and good economic datapoints boosted returns. The bank's healthy capital adequacy ratios and strong franchise place it in a good position to capitalise on the growth opportunity in the Indian economy.

Daqo New Energy, the Chinese producer of polysilicon for the solar industry, experienced a sharp increase in its share price during the period. The company raised its annual production volume target and is positive on the outlook for polysilicon prices. Investors are attracted to the company given its focus on renewable energy which is forecast to continue growing significantly in the coming years.

Brazil's national oil and gas company **Petroleo Brasileiro** ("Petrobras") rose on the back of surging oil prices, which led to strong results for the second quarter of 2022 and a dividend yield of around 20% in the same quarter.

Petrobras' long-life oil reserves, together with its strategy of deleveraging its balance sheet and exiting non-core assets allow for a strong dividend payout.

Top 10 detractors to relative performance by security (%)[a]

Top detractors	Country	Sector	Share price total return	Contribution to portfolio relative to MSCI Emerging Markets Index
NAVER	South Korea	Communication Services	(43.7)	(1.2)
Taiwan Semiconductor Manufacturing	Taiwan	Information Technology	(24.3)	(1.0)
Samsung Electronics	South Korea	Information Technology	(23.4)	(0.8)
MediaTek	Taiwan	Information Technology	(28.7)	(0.7)
Meituan[b]	China/Hong Kong	Consumer Discretionary	25.2	(0.4)
China Merchants Bank	China/Hong Kong	Financials	(21.3)	(0.3)
Cognizant Technology Solutions[c][d]	United States	Information Technology	(24.0)	(0.3)
Soulbrain[c]	South Korea	Materials	(28.0)	(0.3)
Americanas	Brazil	Consumer Discretionary	(45.8)	(0.3)
Alibaba	China/Hong Kong	Consumer Discretionary	(18.2)	(0.2)

[a] For the period 31 March 2022 to 30 September 2022.
[b] Security not held by TEMIT as at 30 September 2022.
[c] Security not included in the MSCI Emerging Markets Index as at 30 September 2022.
[d] This security, listed on a stock exchange in a developed market, has significant exposure to operations from emerging markets.

NAVER declined in the third quarter after it fell short of consensus second quarter earnings estimates. The company operates South Korea's largest search engine, and offers e-commerce, fintech and digital content services. Its share price has been on a declining trend due to slower growth in the post-COVID environment. Concerns that expansion into unprofitable new businesses with lower margins also negatively impacted market sentiment. However, we believe that NAVER is in a good position to build a thriving ecosystem integrating e-commerce, payments and digital content based on its solid foundation in search and advertising.

After losing ground in August due to lower chip demand throughout the industry, **TSMC** shares took another hit in late September when Apple reported lower demand for its new iPhone 14. TSMC is the world's largest foundry semiconductor manufacturer. The company's share price has been under pressure, despite solid second quarter results which saw management increase third quarter sales guidance. The company is a beneficiary of the digitisation trend, and of increased penetration of semiconductors in consumer goods ranging from cars to domestic appliances. Nevertheless, it cannot escape the short-term downtrend in the global technology sector and the accompanying de-rating of sector valuations.

Samsung Electronics is one of the largest memory semiconductor manufacturers in the world. The company experienced downward pressure in its share price in the period under review as rising inventory levels have converged with increased global economic uncertainty, resulting in an inventory adjustment amongst customers. In addition to the already weakening demand in PC and mobile segments, there are concerns over the outlook for server demand. Consensus estimates amongst analysts for sales in 2023 peaked in May and have been trending lower since then. We partially reduced our overweight exposure during the period.

Top contributors and detractors to relative performance by sector (%)[a]

Top contributors	MSCI Emerging Markets Index sector total return	Contribution to portfolio relative to MSCI Emerging Markets Index	Top detractors	MSCI Emerging Markets Index sector total return	Contribution to portfolio relative to MSCI Emerging Markets Index
Financials	(3.5)	2.4	Consumer Discretionary	1.9	(1.1)
Energy	8.6	0.3	Communication Services	(14.6)	(0.8)
Real Estate	(10.5)	0.1	Information Technology	(20.7)	(0.5)
			Utilities	8.0	(0.3)
			Industrials	(3.3)	(0.3)

[a] For the period 31 March 2022 to 30 September 2022.

Favourable stock selection and a significant overweight position in the **financial** sector added to TEMIT's performance relative to the benchmark. ICICI Bank, mentioned above, was the primary contributor to the sector. The **energy** sector also contributed to relative results, despite an underweight that detracted, thanks to strong performance from Petrobras (discussed above). **Real estate** was the only other sector in the portfolio to post a positive result during the period, thanks to modest contributions from both an underweight position and stock selection.

Stock selection in the **consumer discretionary** sector weighed on relative performance, where Americanas, Alibaba, and a lack of exposure to benchmark holding Meituan were all amongst the top 10 detractors in the portfolio. The **communication services** sector, where stock selection weighed on results, also had a negative impact. NAVER (discussed above) was the key detractor in the communication services sector. A significant overweight position in **information technology** hindered relative returns, although stock selection helped mitigate some of the negative effect. TSMC and Samsung Electronics (discussed above) were the heaviest decliners relative to the benchmark in the information technology sector.

Top contributors and detractors to relative performance by country (%)[a]

Top contributors	MSCI Emerging Markets Index sector total return	Contribution to portfolio relative to MSCI Emerging Markets Index	Top detractors	MSCI Emerging Markets Index sector total return	Contribution to portfolio relative to MSCI Emerging Markets Index
Brazil	(2.6)	0.9	South Korea	(21.9)	(1.4)
India	8.9	0.7	Taiwan	(18.0)	(1.1)
South Africa	(19.9)	0.7	Saudi Arabia[c]	3.2	(0.5)
Mexico	(6.1)	0.4	China/Hong Kong	(5.6)	(0.4)
United Kingdom[b]	-	0.3	Indonesia	15.9	(0.2)

[a] For the period 31 March 2022 to 30 September 2022.

[b] No companies included in the MSCI Emerging Markets Index in this country as at 30 September 2022.

[c] No companies held by TEMIT in this country as at 30 September 2022.

A significant overweight position in the underperforming **South Korean** market hurt relative results. Key stocks included NAVER and Samsung Electronics, discussed earlier. In **Taiwan**, selections including the portfolio's largest holding, TSMC, hindered performance, while MediaTek had a lesser negative effect. A slight overweight in the market also hurt relative returns. **China**, as discussed above, also detracted, although a slight underweight helped mute underperformance. Lack of exposure to Meituan, a food-delivery platform, and an overweight in China Merchants Bank were the top detractors.

Brazil was the major positive contributor to relative performance. An overweight exposure and favourable stock selection had a positive impact, and Petrobras (discussed above and also overweighted) contributed significantly. An overweight in top-performing ICICI Bank (discussed above) led **India** to an outsized positive result during the period, as did off-benchmark exposure to Bajaj Holdings & Investments. Stock selection and an underweight in **South Africa** also delivered positive results led by an off-benchmark investment in Massmart.

Portfolio changes by sector

						Total return in sterling	
Sector	**31 March 2022 market value £m**	**Purchases £m**	**Sales £m**	**Market movement £m**	**30 September 2022 market value £m**	**TEMIT %**	**MSCI Emerging Markets Index %**
Information Technology	737	27	(102)	(137)	525	(17.4)	(20.7)
Financials	473	51	(46)	24	502	6.3	(3.5)
Consumer Discretionary	266	30	(30)	(22)	244	(7.8)	1.9
Communication Services	212	18	(11)	(47)	172	(23.3)	(14.6)
Materials	208	10	(34)	(31)	153	(13.8)	(12.8)
Industrials	62	28	(1)	(7)	82	(7.9)	(3.3)
Consumer Staples	82	5	(16)	10	81	14.4	7.7
Energy	36	25	(1)	(2)	58	33.7	8.6
Health Care	33	7	(2)	(5)	33	(11.4)	(7.2)
Real Estate	16	-	(6)	-	10	(8.8)	(10.5)
Utilities	-	10	(11)	2	1	17.6	8.0
Total Investments	**2,125**	**211**	**(260)**	**(215)**	**1,861**		

Sector asset allocation
As at 30 September 2022

Sector weightings vs benchmark (%)

	TEMIT	**MSCI Emerging Markets Index**
Information Technology	28.2	18.2
Financials	26.9	22.6
Consumer Discretionary	13.1	14.0
Communication Services	9.3	9.7
Materials	8.2	8.7
Industrials	4.4	5.8
Consumer Staples	4.3	6.6
Energy	3.2	5.3
Health Care	1.8	3.9
Real Estate	0.5	2.0
Utilities	0.1	3.2

Portfolio changes by country

Total return in sterling

Country	31 March 2022 market value £m	Purchases £m	Sales £m	Market movement £m	30 September 2022 market value £m	TEMIT %	MSCI Emerging Markets Index %
China/Hong Kong	605	63	(74)	(50)	544	(7.7)	(5.6)
South Korea	487	11	(67)	(107)	324	(22.4)	(21.9)
Taiwan	363	19	(15)	(93)	274	(23.8)	(18.0)
India	188	44	(47)	46	231	22.0	8.9
Brazil	210	29	(18)	(15)	206	2.2	(2.6)
Other	272	45	(39)	4	282	-	-
Total Investments	**2,125**	**211**	**(260)**	**(215)**	**1,861**		

Geographic asset allocation
As at 30 September 2022

Country weightings vs benchmark (%)[(a)]

	TEMIT	MSCI Emerging Markets Index
China/Hong Kong	29.2	31.4
South Korea	17.4	10.7
Taiwan	14.7	13.7
India	12.4	15.3
Brazil	11.1	5.7
United States[(b)]	3.9	-
Thailand	2.6	2.1
Mexico	2.0	2.3
United Kingdom[(b)]	1.8	-
Indonesia	1.0	2.2
Hungary	0.8	0.2
South Africa	0.7	3.4
Chile	0.6	0.6
Peru	0.5	0.2
Cambodia[(b)]	0.4	-
Philippines	0.3	0.7
Pakistan[(b)]	0.3	-
Kenya[(b)]	0.3	-
United Arab Emirates	0.0	1.4
Russia[(b)(c)]	0.0	-

[(a)] Other countries included in the benchmark are Colombia, Czech Republic, Greece, Kuwait, Malaysia, Poland, Qatar, Romania, Saudi Arabia, Singapore and Turkey.
[(b)] Countries not included in the MSCI Emerging Markets Index.
[(c)] All companies held by TEMIT in this country are valued at zero.

Portfolio investments by fair value
As at 30 September 2022

Holding	Country	Sector	Trading[(a)]	Fair value £'000	% of net assets
Taiwan Semiconductor Manufacturing	Taiwan	Information Technology	NT	194,259	10.4
ICICI Bank	India	Financials	PS	128,805	6.9
Samsung Electronics	South Korea	Information Technology	PS	108,780	5.8
Alibaba[(b)]	China/Hong Kong	Consumer Discretionary	PS	102,744	5.5
Tencent	China/Hong Kong	Communication Services	IH	74,610	4.0
MediaTek	Taiwan	Information Technology	IH	63,147	3.4
Petroleo Brasileiro[(c)]	Brazil	Energy	IH	53,242	2.9
Banco Bradesco[(c)(d)]	Brazil	Financials	IH	51,332	2.7
NAVER	South Korea	Communication Services	IH	50,508	2.7
China Merchants Bank	China/Hong Kong	Financials	IH	49,044	2.6
TOP 10 LARGEST INVESTMENTS				**876,471**	**46.9**
LG	South Korea	Industrials	NT	48,944	2.6
Itaú Unibanco[(c)(d)]	Brazil	Financials	IH	48,233	2.6
Genpact[(e)]	United States	Information Technology	IH	44,124	2.4
Guangzhou Tinci Materials Technology	China/Hong Kong	Materials	PS	43,740	2.3
Prosus[(f)]	China/Hong Kong	Consumer Discretionary	PS	40,017	2.1
Vale	Brazil	Materials	IH	38,604	2.1
Samsung Life Insurance	South Korea	Financials	NT	36,388	2.0
Banco Santander Mexico[(d)]	Mexico	Financials	NH	33,549	1.8
Unilever[(e)]	United Kingdom	Consumer Staples	PS	33,048	1.8
Daqo New Energy[(d)]	China/Hong Kong	Information Technology	PS	30,710	1.6
TOP 20 LARGEST INVESTMENTS				**1,273,828**	**68.2**
Cognizant Technology Solutions[(e)]	United States	Information Technology	NT	28,641	1.5
Techtronic Industries	China/Hong Kong	Industrials	IH	28,245	1.5
HDFC Bank	India	Financials	NH	27,945	1.5
Kasikornbank	Thailand	Financials	NT	25,329	1.3
Bajaj Holdings & Investments	India	Financials	PS	23,088	1.2
Soulbrain	South Korea	Materials	IH	21,627	1.2
POSCO	South Korea	Materials	NT	21,153	1.1
Uni-President China	China/Hong Kong	Consumer Staples	IH	20,378	1.1
Ping An Insurance	China/Hong Kong	Financials	IH	19,475	1.0
Tata Consultancy Services	India	Information Technology	PS	18,687	1.0
TOP 30 LARGEST INVESTMENTS				**1,508,396**	**80.6**
Astra International	Indonesia	Consumer Discretionary	PS	18,465	1.0
Brilliance China Automotive[(g)]	China/Hong Kong	Consumer Discretionary	NT	18,366	1.0
Zomato	India	Consumer Discretionary	NH	17,069	0.9
Fila	South Korea	Consumer Discretionary	NT	16,633	0.9
Baidu	China/Hong Kong	Communication Services	IH	16,293	0.9
Hon Hai Precision Industry	Taiwan	Information Technology	PS	16,093	0.8

Holding	Country	Sector	Trading[a]	Fair value £'000	% of net assets
Infosys Technologies	India	Information Technology	IH	15,463	0.8
Gedeon Richter	Hungary	Health Care	NT	14,495	0.8
Tencent Music Entertainment[d]	China/Hong Kong	Communication Services	PS	14,269	0.8
NetEase	China/Hong Kong	Communication Services	PS	14,252	0.8
TOP 40 LARGEST INVESTMENTS				**1,669,794**	**89.3**
China Resources Cement	China/Hong Kong	Materials	PS	12,451	0.7
Ping An Bank	China/Hong Kong	Financials	NT	12,340	0.6
Banco Santander Chile[d]	Chile	Financials	NH	10,700	0.5
Intercorp Financial Services	Peru	Financials	IH	9,253	0.5
Americanas	Brazil	Consumer Discretionary	IH	9,183	0.5
Kiatnakin Phatra Bank	Thailand	Financials	NT	8,952	0.5
Keshun Waterproof Technologies	China/Hong Kong	Materials	PS	8,900	0.5
LegoChem Biosciences	South Korea	Health Care	IH	8,122	0.4
Massmart	South Africa	Consumer Staples	PS	8,016	0.4
Thai Beverage	Thailand	Consumer Staples	NT	7,639	0.4
TOP 50 LARGEST INVESTMENTS				**1,765,350**	**94.3**
NagaCorp	Cambodia	Consumer Discretionary	PS	6,873	0.4
LG Chem	South Korea	Materials	PS	6,793	0.4
H&H Group	China/Hong Kong	Consumer Staples	IH	6,409	0.3
Star Petroleum Refining	Thailand	Energy	NH	6,145	0.3
BDO Unibank	Philippines	Financials	NT	5,885	0.3
Netcare	South Africa	Health Care	IH	5,740	0.3
MCB Bank	Pakistan	Financials	NT	4,993	0.3
COSCO SHIPPING Ports	China/Hong Kong	Industrials	IH	4,939	0.3
East African Breweries	Kenya	Consumer Staples	NT	4,913	0.3
Wuxi Biologics	China/Hong Kong	Health Care	PS	4,899	0.3
TOP 60 LARGEST INVESTMENTS				**1,822,939**	**97.5**
China Resources Land	China/Hong Kong	Real Estate	PS	4,793	0.3
Longshine Technology Group	China/Hong Kong	Information Technology	PS	4,781	0.3
Greentown Service Group	China/Hong Kong	Real Estate	PS	4,760	0.2
Nemak	Mexico	Consumer Discretionary	NT	4,417	0.2
XP Inc	Brazil	Financials	NT	4,384	0.2
Hankook Tire	South Korea	Consumer Discretionary	NT	3,338	0.2
JD.com	China/Hong Kong	Consumer Discretionary	NT	2,605	0.1
Weifu High-Technology	China/Hong Kong	Consumer Discretionary	NT	2,461	0.1
KT Skylife	South Korea	Communication Services	NT	2,179	0.1
BAIC Motor	China/Hong Kong	Consumer Discretionary	NT	1,876	0.1
TOP 70 LARGEST INVESTMENTS				**1,858,533**	**99.3**

Holding	Country	Sector	Trading[(a)]	Fair value £'000	% of net assets
TOTVS	Brazil	Information Technology	PS	885	0.1
Dubai Electricity and Water Authority	United Arab Emirates	Utilities	NH	817	0.0
Chervon Holdings	China/Hong Kong	Consumer Discretionary	PS	279	0.0
Yandex[(h)]	Russia	Communication Services	NT	-	-
LUKOIL[(h)]	Russia	Energy	NT	-	-
VK[(h)(i)]	Russia	Communication Services	NT	-	-
Sberbank of Russia[(h)]	Russia	Financials	NT	-	-
TOTAL INVESTMENTS				**1,860,514**	**99.4**
NET ASSETS				**11,247**	**0.6**
TOTAL NET ASSETS				**1,871,761**	**100.0**

(a) Trading activity during the year: (NH) New Holding, (IH) Increased Holding, (PS) Partial Sale and (NT) No Trading.

(b) Company is listed on the Hong Kong and New York stock exchanges.

(c) Preferred shareholders are entitled to dividends before ordinary shareholders.

(d) US listed American Depository Receipt.

(e) This company, listed on a stock exchange in a developed market, has significant exposure to operations from emerging markets.

(f) This company is listed in the Netherlands. The classification of China/Hong Kong is due to most of its revenue coming from its holding in Tencent.

(g) Trading of this company's shares on the Hong Kong stock exchange has been suspended since 31 March 2021. Shares resumed trading on 5 October 2022.

(h) This company is fair valued at zero as a result of its trading being suspended on international stock exchanges.

(i) UK listed Global Depository Receipt.

Portfolio summary

As at 30 September 2022
All figures are a % of the net assets

	Communication Services	Consumer Discretionary	Consumer Staples	Energy	Financials	Health Care	Industrials	Information Technology	Materials	Real Estate	Utilities	Total Equities	Net assets/(liabilities)[(a)]	30 September 2022 Total	31 March 2022 Total
Brazil	-	0.5	-	2.9	5.5	-	-	-	2.1	-	-	**11.0**	-	**11.0**	**10.0**
Cambodia	-	0.4	-	-	-	-	-	-	-	-	-	**0.4**	-	**0.4**	**0.4**

Chile	-	-	-	-	0.5	-	-	-	-	-	-	**0.5**	-	**0.5**	**-**
China/Hong Kong	6.5	8.9	1.4	-	4.3	0.3	1.8	1.9	3.4	0.5	-	**29.0**	-	**29.0**	**28.8**
Egypt	-	-	-	-	-	-	-	-	-	-	-	**-**	-	**-**	**0.1**
Germany	-	-	-	-	-	-	-	-	-	-	-	**-**	-	**-**	**0.1**
Hungary	-	-	-	-	-	0.8	-	-	-	-	-	**0.8**	-	**0.8**	**0.7**
India	-	0.9	-	-	9.6	-	-	1.8	-	-	-	**12.3**	-	**12.3**	**9.1**
Indonesia	-	1.0	-	-	-	-	-	-	-	-	-	**1.0**	-	**1.0**	**0.9**
Kenya	-	-	0.3	-	-	-	-	-	-	-	-	**0.3**	-	**0.3**	**0.2**
Mexico	-	0.2	-	-	1.8	-	-	-	-	-	-	**2.0**	-	**2.0**	**1.6**
Pakistan	-	-	-	-	0.3	-	-	-	-	-	-	**0.3**	-	**0.3**	**0.4**
Peru	-	-	-	-	0.5	-	-	-	-	-	-	**0.5**	-	**0.5**	**0.5**
Philippines	-	-	-	-	0.3	-	-	-	-	-	-	**0.3**	-	**0.3**	**0.3**
Russia[b]	-	-	-	-	-	-	-	-	-	-	-	**0.0**	-	**0.0**	**0.0**
South Africa	-	-	0.4	-	-	0.3	-	-	-	-	-	**0.7**	-	**0.7**	**0.6**
South Korea	2.8	1.1	-	-	2.0	0.4	2.6	5.8	2.7	-	-	**17.4**	-	**17.4**	**23.2**
Taiwan	-	-	-	-	-	-	-	14.6	-	-	-	**14.6**	-	**14.6**	**17.3**
Thailand	-	-	0.4	0.3	1.8	-	-	-	-	-	-	**2.5**	-	**2.5**	**2.1**
United Arab Emirates	-	-	-	-	-	-	-	-	-	-	**0.1**	**0.1**	-	**0.1**	**-**
United Kingdom	-	-	1.8	-	-	-	-	-	-	-	-	**1.8**	-	**1.8**	**1.4**
United States	-	-	-	-	-	-	-	3.9	-	-	-	**3.9**	-	**3.9**	**3.4**
Net assets/(liabilities)[a]	-	-	-	-	-	-	-	-	-	-	-	**-**	**0.6**	**0.6**	**(1.1)**
30 September 2022 Total	**9.3**	**13.0**	**4.3**	**3.2**	**26.6**	**1.8**	**4.4**	**28.0**	**8.2**	**0.5**	**0.1**	**99.4**	**0.6**	**100.0**	**-**
31 March 2022 Total	**10.2**	**12.7**	**3.8**	**1.7**	**22.6**	**1.5**	**2.9**	**35.1**	**9.9**	**0.7**	**-**	**101.1**	**(1.1)**	**-**	**100.0**

[a] The Company's net assets/(liabilities) are the total of net current assets plus non-current liabilities per the Statement of Financial Position on page 25 of the full Half Yearly Report.

[b] All companies held by TEMIT in this country are valued at zero.

Market capitalisation breakdown (%)	Less than £1.5bn	£1.5bn to £5bn	£5bn to £25bn	Greater than £25bn	Net assets/ (liabilities)[a]
30 September 2022	5.7	9.5	25.4	58.8	0.6
31 March 2022	7.7	8.0	16.5	68.9	(1.1)

	30 September	31 March

Split between markets[b] (%)	2022	2022
Emerging markets	93.0	95.6
Developed markets[c]	5.7	4.9
Frontier markets	0.7	0.6
Net assets/(liabilities)[a]	0.6	(1.1)

Source: FactSet Research System, Inc.

[a] The Company's net assets/(liabilities) are the total of net current assets plus non-current liabilities per the Statement of Financial Position on page 25 of the full Half Yearly Report.

[b] Geographic split between "Emerging markets", "Frontier markets", "Developed markets" are as per MSCI index classifications.

[c] Developed market exposure represented by companies listed in United Kingdom and United States which have significant exposure to operations from emerging markets.

Environmental, Social and Governance

We continue to embed governance and sustainability factors into our fundamental bottom-up research and remain active owners across our holdings. This involves integrating Environmental, Social and Governance ("ESG") factors into our stock thesis, engaging with investee companies on material ESG issues and actively voting on behalf of our investors. In addition, we monitor the potential ESG externalities that may be exhibited by our investee companies, including TEMIT's portfolio carbon footprint where our portfolio managers seek to understand the carbon risk profile. We provide below a short summary of our process over the six-month period under review.

Integrating ESG factors

During the six months, we purchased shares in **HDFC Bank**. HDFC Bank is India's largest private sector bank by advances and remains one of the fastest growing banks with consistent market share gains while also maintaining high profitability and strong asset quality. Considering its ESG practices, the bank remains one of the best governed banks in India. The senior management team are well respected within the industry, remuneration is in line with industry best practices, and the bank's Employee Stock Option Plan ("ESOP") ensures alignment with shareholders. Post the CEO change, governance and control mechanisms remain a critical focus to us. In addition, the bank's internal policies and outcomes on environmental and social issues are strong with no material red flags. The bank has policies in place to consider environmental and social impacts in its underwriting process. For large long-term loans, the bank has put in place a Social and Environmental Management System ("SEMS") framework that assesses and considers numerous parameters such as social impact and emissions. We believe the bank is well positioned to manage its operational ESG footprint.

Climate change

TEMIT Carbon Footprint vs. MSCI EM Index - 30 September 2022[a]

	Carbon Emissions (tCO2e/$M invested)	Carbon Intensity (tCO2e/$M sales)	Weighted Average Carbon Intensity (tCO2e/$M sales)
Portfolio	269.2	369.3	216.1
Benchmark	296.6	384.8	345.1

[a] Source: MSCI ESG as at 11 October 2022, portfolio coverage 94% (79% reported, 15% estimated); MSCI EM coverage 100% (77% reported, 23% estimated). Carbon emissions include scope 1 and 2.

Carbon Emissions - Measures the portfolio's normalised carbon footprint per $1 million invested.

Carbon Intensity - Measures the portfolio's efficiency in terms of the level of carbon emissions per dollar of sales generated by a company.

Weighted Average Carbon Intensity - Measures the portfolio's exposure to carbon-intensive companies.

The TEMIT Portfolio Carbon Emissions are 9.2% lower than the MSCI Emerging Markets benchmark, Carbon Intensity is 4.0% lower and Weighted Average Carbon Intensity ("WACI") is 37.4% lower. TEMIT's portfolio carbon risk is concentrated amongst a small number of companies, with the top five companies in terms of carbon intensity representing 7.6% of the portfolio and accounting for 71.5% of the total portfolio WACI.

Active ownership
As investors with a significant presence in emerging markets, our investment team's active ownership efforts are a key part of the overall approach to stewardship. Over the six-month period, we have engaged with several of our investee companies on material governance and sustainability issues. For example we (i) reached out to **KT Skylife** to recommend that the company adopts a more transparent and attractive dividend payout policy; (ii) had an in-depth dialogue with **Genpact** where the conversation was focused on learning more around the company's ESG strategy, its alignment with UN Sustainable Development Goals ("SDGs") from a product/services perspective, its thoughts on net-zero commitment and its management of human capital; and (iii) engaged **Soulbrain** across multiple areas to request clarification on topics such as executive remuneration, whilst also encouraging improved disclosure on ESG issues. These discussions help us to gain a number of fundamental and sustainability insights. We believe that our engagement efforts are key to developing both a detailed understanding of companies and improving outcomes for shareholders as well as stakeholders more broadly.

We look forward to sharing a more detailed account of our stewardship practices in the next Annual Report and dedicated Stewardship Report.

Outlook for markets
Inflation remains a multi-layered challenge for policymakers. Whilst the shift from easier policies during the pandemic to tighter policies in a supply chain-constrained world may previously have taken place at a slower pace than required, there is no doubt that central banks have fully reasserted their inflation fighting credentials. By mid-November 2022, the US Federal Reserve had raised interest rates six times this year, by a cumulative 3.75% to 4.00%, the highest level since January 2008. Inflation in the euro area meanwhile rose to a record 10.6% in October 2022, which is likely to lead to further interest rate increases by the European Central Bank.

Interest rate increases in emerging markets ("EMs") have been less than developed markets ("DMs"), reflecting more subdued inflationary pressures, helped largely by significantly less fiscal expansion during lockdowns. Using real interest rates as a proxy for the monetary policy stance, markets such as Brazil are experiencing tight monetary policy, whereas policy in the US and Euro Area remain loose. This has implications for the timing of eventual interest rate cuts, with Brazil likely to join China in cutting rates in 2023. In isolation, this would be positive for investors. However, we acknowledge the challenging global backdrop and the need to see an improvement in global growth and/or a weaker US dollar to enable the positive impact of lower interest rates to filter through to the market in these countries.

The Chinese property market continues to struggle, which is impacting domestic growth as well as demand for key commodities involved in construction, including cement and steel. A 40% decline in new real estate construction starts as well as single-digit growth in infrastructure investment have contributed to the weakness in growth.

Slower global growth, a strong US dollar, global supply chain woes as well as domestic economic factors have created headwinds for EMs. Nevertheless, we believe in their long-term growth potential, as economic growth in EMs has continued to outpace that in DMs. EMs are home to companies with exposure to new technologies driving future sustainable economic growth. From solar and electric vehicle battery producers to semiconductor designers and manufacturers, the acceleration of innovation in EM is driving our confidence in the asset class. Despite the current challenges, we continue to see opportunities to invest in companies with a technological edge which are investing to drive growth.

Chetan Sehgal
Lead Portfolio Manager
8 December 2022

Independent Review Report
to the members of Templeton Emerging Markets Investment Trust plc

Conclusion

We have been engaged by Templeton Emerging Markets Investment Trust plc ('the Company') to review the condensed set of Financial Statements in the Half Yearly Report for the six months ended 30 September 2022 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows, and related notes 1 to 8. We have read the other information contained in the Half Yearly Report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of Financial Statements.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of Financial Statements in the Half Yearly Report for the six months ended 30 September 2022 is not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

Basis for Conclusion
We conducted our review in accordance with International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" (ISRE) issued by the Financial Reporting Council. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 1, the annual Financial Statements of the Company are prepared in accordance with UK adopted international accounting standards. The condensed set of Financial Statements included in this Half Yearly Report has been prepared in accordance with UK adopted International Accounting Standard 34, "Interim Financial Reporting".

Conclusions Relating to Going Concern
Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis of Conclusion section of this report, nothing has come to our attention to suggest that management have inappropriately adopted the going concern basis of accounting or that management have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with this ISRE, however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of the directors
The directors are responsible for preparing the Half Yearly Report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the Half Yearly Report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the review of the financial information
In reviewing the Half Yearly Report, we are responsible for expressing to the Company a conclusion on the condensed set of Financial Statements in the Half Yearly Report. Our conclusion, including our Conclusions Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report
This report is made solely to the company in accordance with guidance contained in International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our work, for this report, or for the conclusions we have formed.

Ernst & Young LLP
Edinburgh
8 December 2022

Statement of Comprehensive Income
For the six months to 30 September 2022

		For the six months to 30 September 2022 (unaudited)			For the six months to 30 September 2021 (unaudited)			Year ended 31 March 2022 (audited)		
	Note	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Net losses on investments and foreign exchange										
Net losses on investments at fair value		-	(215,485)	(215,485)	-	(204,001)	(204,001)	-	(460,585)	(460,585)
Net losses on foreign exchange		-	(69)	(69)	-	(25)	(25)	-	(168)	(168)
Income										
Dividends		55,693	-	55,693	32,203	-	32,203	54,020	-	54,020
Other income		877	-	877	127	-	127	250	-	250
		56,570	**(215,554)**	**(158,984)**	**32,330**	**(204,026)**	**(171,696)**	**54,270**	**(460,753)**	**(406,483)**
Expenses										
AIFM fee[(a)]		(2,674)	(6,239)	(8,913)	(3,312)	(7,727)	(11,039)	(6,316)	(14,738)	(21,054)
Other expenses		(985)	-	(985)	(1,144)	-	(1,144)	(2,338)	-	(2,338)
		(3,659)	**(6,239)**	**(9,898)**	**(4,456)**	**(7,727)**	**(12,183)**	**(8,654)**	**(14,738)**	**(23,392)**
Profit/(loss) before finance costs and taxation		**52,911**	**(221,793)**	**(168,882)**	**27,874**	**(211,753)**	**(183,879)**	**45,616**	**(475,491)**	**(429,875)**
Finance costs[(a)]		(550)	(1,285)	(1,835)	(388)	(904)	(1,292)	(858)	(1,998)	(2,856)
Profit/(loss) before taxation		**52,361**	**(223,078)**	**(170,717)**	**27,486**	**(212,657)**	**(185,171)**	**44,758**	**(477,489)**	**(432,731)**
Tax expense	5	(3,448)	(3,130)	(6,578)	(1,984)	(4,695)	(6,679)	(4,081)	(5,596)	(9,677)
Profit/(loss) for the period		**48,913**	**(226,208)**	**(177,295)**	**25,502**	**(217,352)**	**(191,850)**	**40,677**	**(483,085)**	**(442,408)**
Profit/(loss) attributable to equity holders of the Company		**48,913**	**(226,208)**	**(177,295)**	**25,502**	**(217,352)**	**(191,850)**	**40,677**	**(483,085)**	**(442,408)**
Earnings per share	2	**4.16p**	**(19.25)p**	**(15.09)p**	**2.16p**	**(18.40)p**	**(16.24)p**	**3.44p**	**(40.90)p**	**(37.46)p**

(a) 70% of the annual Alternative Investment Fund Manager ("AIFM") fee and 70% of the finance costs have been allocated to the capital account.

Under the Company's Articles of Association the capital element of return is not distributable.

The total column of this statement represents the profit and loss account of the Company.

The accompanying notes are an integral part of the Financial Statements.

Statement of Financial Position
As at 30 September 2022

	Note	As at 30 September 2022 (unaudited) £'000	As at 30 September 2021 (unaudited) £'000	As at 31 March 2022 (audited) £'000
Non-current assets				
Investments at fair value through profit or loss		1,860,514	2,440,769	2,124,530
Current assets				
Trade and other receivables		8,190	7,852	16,928
Cash and cash equivalents		167,115	40,748	125,855
Total current assets		**175,305**	**48,600**	**142,783**
Current liabilities				
Other payables		(53,875)	(14,506)	(57,718)
Total current liabilities		**(53,875)**	**(14,506)**	**(57,718)**
Net current assets		**121,430**	**34,094**	**85,065**
Non-current liabilities				
Capital gains tax provision		(10,183)	(8,814)	(9,205)
Other payables falling due after more than one year		(100,000)	(100,000)	(100,000)
Total assets less liabilities		**1,871,761**	**2,366,049**	**2,100,390**
Share capital and reserves				
Equity Share Capital	3	63,515	64,244	64,136
Capital Redemption Reserve		19,154	18,425	18,533
Capital Reserve		1,221,595	1,735,220	1,466,197
Special Distributable Reserve		433,546	433,546	433,546
Revenue Reserve		133,951	114,614	117,978
Equity Shareholders' Funds		**1,871,761**	**2,366,049**	**2,100,390**
Net Asset Value pence per share[a]		160.5	200.3	178.2

[a] Based on shares in issue excluding shares held in treasury.

Statement of Changes in Equity
For the six months to 30 September 2022 (unaudited)

	Note	Equity Share Capital £'000	Capital Redemption Reserve £'000	Capital Reserve £'000	Special Distributable Reserve £'000	Revenue Reserve £'000	Total £'000
Balance at 31 March 2021		**64,253**	**18,416**	**1,952,886**	**433,546**	**122,186**	**2,591,287**
(Loss)/profit for the period		-	-	(217,352)	-	25,502	(191,850)
Equity dividends	4	-	-	-	-	(33,074)	(33,074)

Purchase and cancellation of own shares	3	(9)	9	(314)	-	-	(314)
Balance at 30 September 2021		**64,244**	**18,425**	**1,735,220**	**433,546**	**114,614**	**2,366,049**
(Loss)/profit for the period		-	-	(265,733)	-	15,175	(250,558)
Equity dividends	4	-	-	-	-	(11,811)	(11,811)
Purchase and cancellation of own shares		(108)	108	(3,290)	-	-	(3,290)
Balance at 31 March 2022		**64,136**	**18,533**	**1,466,197**	**433,546**	**117,978**	**2,100,390**
(Loss)/profit for the period		-	-	(226,208)	-	48,913	(177,295)
Equity dividends	4	-	-	-	-	(32,940)	(32,940)
Purchase and cancellation of own shares	3	(621)	621	(18,394)	-	-	(18,394)
Balance at 30 September 2022		**63,515**	**19,154**	**1,221,595**	**433,546**	**133,951**	**1,871,761**

Statement of Cash Flows
For the six months to 30 September 2022

	For the six months to 30 September 2022 (unaudited) £'000	For the six months to 30 September 2021 (unaudited) £'000	For the year to 31 March 2022 (audited) £'000
Cash flows from operating activities			
Loss before taxation[a]	(170,717)	(185,171)	(432,731)
Adjustments to reconcile loss before taxation to cash generated from operations:			
Bank and deposit interest income recognised	(873)	(14)	(130)
Dividend income recognised	(55,693)	(32,203)	(54,020)
Finance costs[a]	1,835	1,292	2,856
Net losses on investments at fair value	215,485	204,001	460,585
Net losses on foreign exchange[b][c]	69	25	168
(Increase)/decrease in debtors[a]	(52)	38	16
Decrease in creditors[a]	(210)	(185)	(614)
Cash generated from operations[a][b]	**(10,156)**	**(12,217)**	**(23,870)**
Bank and deposit interest received	873	14	130
Dividends received	59,855	39,129	57,522
Bank overdraft interest paid	-	-	(2)
Tax paid[a]	(3,244)	(3,548)	(6,250)
Net cash inflow from operating activities[b]	**47,328**	**23,378**	**27,530**
Cash flows from investing activities			
Purchases of non-current financial assets	(214,314)	(349,022)	(600,482)

Sales of non-current financial assets[b]	262,619	315,873	613,417
Net cash inflow/(outflow) from investing activities[b]	**48,305**	**(33,149)**	**12,935**
Cash flows from financing activities			
Equity dividends paid	(32,940)	(33,074)	(44,885)
Purchase and cancellation of own shares	(19,677)	(314)	(2,041)
Draw down from revolving credit facility	-	-	50,000
Bank loans interest and fees paid	(1,687)	(1,280)	(2,728)
Net cash (outflow)/inflow from financing activities	**(54,304)**	**(34,668)**	**346**
Net increase/(decrease) in cash	**41,329**	**(44,439)**	**40,811**
Cash at the start of the period	125,855	85,212	85,212
Net losses on foreign exchange[c]	(69)	(25)	(168)
Cash at the end of the period	**167,115**	**40,748**	**125,855**

[a] The Company has used the Loss before taxation as a starting point in the Statement of Cash Flows for the period ended 30 September 2022 and year ended 31 March 2022. Comparative figures for the period ended 30 September 2021 have been updated to adjust the presentation in line with IAS 8.

[b] Net losses on foreign exchange related to the Sales of non-current financial assets for the comparative figures have been reclassified for the consistency of the presentation.

[c] Net losses on foreign exchange related to cash and cash equivalents have been shown separately as part of the reconciliation of the cash and cash equivalents in line with IAS 8 requirements.

Reconciliation of liabilities arising from bank loans

	Liabilities as at 31 March 2022 £'000	**Cash flows £'000**	**Profit & Loss £'000**	**Liabilities as at 30 September 2022 £'000**
Revolving credit facility	50,000	-	-	50,000
Interest and fees payable	249	(662)	794	381
Fixed term loan	100,000	-	-	100,000
Interest and fees payable	352	(1,025)	1,041	368
Total liabilities from bank loans	**150,601**	(1,687)	1,835	**150,749**

	Liabilities as at 31 March 2021 £'000	**Cash flows £'000**	**Profit & Loss £'000**	**Liabilities as at 30 September 2021 £'000**
Revolving credit facility	-	-	-	-
Interest and fees payable	120	(239)	243	124
Fixed term loan	100,000	-	-	100,000
Interest and fees payable	355	(1,041)	1,049	363
Total liabilities from bank loans	**100,475**	(1,280)	1,292	**100,487**

	Liabilities as at 31 March 2021 £'000	Cash flows £'000	Profit & Loss £'000	Liabilities as at 31 March 2022 £'000
Revolving credit facility	-	50,000	-	50,000
Interest and fees payable	120	(628)	757	249
Fixed term loan	100,000	-	-	100,000
Interest and fees payable	355	(2,100)	2,097	352
Total liabilities from bank loans	**100,475**	47,272	2,854	**150,601**

Notes to the Financial Statements
For the six months to 30 September 2022

1 Basis of preparation

The Half Yearly Report for the six months to 30 September 2022 has been prepared in accordance with the UK adopted International Accounting Standard ("IAS") 34, "Interim Financial Reporting".

The Company has adopted the Statement of Recommended Practice ("SORP") for investment trusts issued by the Association of Investment Companies ("AIC") in July 2022 insofar as the SORP is compatible with UK adopted International Accounting Standards. The accounting policies applied in these half yearly Financial Statements are consistent with those applied in the Company's Financial Statements for the year ended 31 March 2022 and have been applied consistently to all periods presented in these interim Financial Statements.

The financial information contained in this interim statement does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. The financial information for the half years ended 30 September 2022 and 30 September 2021 has not been audited. The figures and financial information for the year ended 31 March 2022 are extracted from the published accounts and do not constitute the statutory accounts for that period. Those accounts have been delivered to the Registrar of Companies and included the Report of the Independent Auditors, which was unqualified and did not include a statement under sections 498(2) or 498(3) of the Companies Act 2006.

As at 30 September 2022, the Company had net current assets of £121,430,000 (31 March 2022: net current assets £85,065,000). The Directors have a reasonable expectation that the Company has sufficient resources to continue in operational existence for the foreseeable future. Accordingly the Financial Statements have been prepared on a going concern basis for the period to 31 March 2024, which is at least 12 months from the date of approval of these Financial Statements.

2 Earnings per share

	For the six months to 30 September 2022 £'000	For the six months to 30 September 2021 £'000	For the year to 31 March 2022 £'000
Revenue profit	48,913	25,502	40,677
Capital loss	(226,208)	(217,352)	(483,085)
Total	**(177,295)**	**(191,850)**	**(442,408)**
Weighted average number of shares in issue	1,175,330,868	1,181,225,786	1,181,093,110
Revenue profit per share	4.16p	2.16p	3.44p
Capital loss per share	(19.25)p	(18.40)p	(40.90)p
Total loss per share	**(15.09)p**	**(16.24)p**	**(37.46)p**

3 Equity share capital

Ordinary shares in issue	For the six months to 30 September 2022 £'000	Number	For the six months to 30 September 2021 £'000	Number[a]	For the year 31 March 2022 £'000	Number[a]
Opening ordinary shares of 5 pence	**58,945**	**1,178,896,985**	**59,062**	**1,181,228,655**	**59,062**	**1,181,228,655**
Purchase and cancellation of own shares	(621)	(12,413,292)	(9)	(175,000)	(117)	(2,331,670)
Closing ordinary shares of 5 pence	**58,324**	**1,166,483,693**	**59,053**	**1,181,053,655**	**58,945**	**1,178,896,985**

Ordinary shares held in treasury	For the six months to 30 September 2022 £'000	Number	For the six months to 30 September 2021 £'000	Number[a]	For the year 31 March 2022 £'000	Number[a]
Opening ordinary shares of 5 pence	**5,191**	**103,825,895**	**5,191**	**103,825,895**	**5,191**	**103,825,895**
Closing ordinary shares of 5 pence	5,191	103,825,895	5,191	103,825,895	5,191	103,825,895
Total ordinary shares in issue and held in treasury at the end of the year	**63,515**	**1,270,309,588**	**64,244**	**1,284,879,550**	**64,136**	**1,282,722,880**

[a] Comparative figures for the year ended 31 March 2021 (i.e. number of ordinary shares in issue and number of ordinary shares held in treasury as at 31 March 2021) have been retrospectively adjusted following the sub-division of each existing ordinary share of 25 pence into five ordinary shares of 5 pence each on 26 July 2021.

In the six months to 30 September 2022, 12,413,292 shares were bought back for cancellation for a total consideration of £18,394,000 (30 September 2021: 175,000 shares were bought back for cancellation for a total consideration of £314,000). All shares bought back in the period were cancelled, with none being placed in treasury (30 September 2021: no shares were placed into treasury).

4 Dividends

	For the six months to 30 September 2022 Rate (pence)	£'000	For the six months to 30 September 2021 Rate[a] (pence)	£'000	For the year 31 March 2022 Rate[a] (pence)	£'000
Declared and paid during the period:						
Dividend on shares:						
Final dividends for the years ended 31 March 2022 and 31 March 2021	2.80	32,940	2.80	33,074	2.80	33,074
Interim dividend for the six months ended 30 September 2021	-	-	-	-	1.00	11,811
Total	**2.80**	**32,940**	**2.80**	**33,074**	**3.80**	**44,885**

[a] Comparative figures for the year ended 31 March 2021 (i.e. final dividend per share declared and paid for the year ended 31 March 2021) have been retrospectively adjusted following the sub-division of each existing ordinary share of 25 pence into five ordinary shares of 5 pence each on 26 July 2021.

On 8 December 2022 the Board declared an interim dividend of 2.00 pence per share for the financial year 2023 (financial year 2022: 1.00 pence per share interim dividend). This dividend has not been accrued in the Financial Statements for the six months ended 30 September 2022 as dividends are recognised when the shareholder's right to receive the payment is established. For the 2023 interim dividend this would be the ex-dividend date of 15 December 2022.

5 Taxation

The total tax expense of £6.58 million (30 September 2021: £6.68 million) consists of a revenue tax expense of £3.45 million (30 September 2021: £1.98 million) and a capital tax expense of £3.13 million (30 September 2021: £4.70 million). The revenue tax expense relates to irrecoverable overseas tax on dividends. The capital tax expense consists of £0.91 million (30 September 2021:
£3.94 million) expense arising from an increase in the provision for deferred tax on unrealised gains on holdings in India and a £2.22 million expense arising from tax on realised gains on holdings in India (30 September 2021: £0.76 million tax on realised gains on holdings in India and Pakistan).

6 Costs of investment transactions

During the period, expenses were incurred in acquiring or disposing of investments. The following costs of transactions are included in the gains/(losses) on investments at fair value:

	For the six months to 30 September 2022 £'000	For the six months to 30 September 2021 £'000	For the year to 31 March 2022 £'000
Purchase expenses	282	452	749
Sales expenses	528	534	1,209
Total	**810**	**986**	**1,958**

7 Fair value

Fair values are derived as follows:

- Where assets are denominated in a foreign currency, they are converted into the sterling amount using period-end rates of exchange;
- Investments held by the Company on the basis set out in the annual accounting policies;
- Cash at the denominated currency of the account; and
- Other financial assets and liabilities at the carrying value which is a reasonable approximation of the fair value.

The tables below analyse financial instruments carried at fair value by valuation method. The different levels have been defined as follows:

Level 1 Quoted prices (unadjusted) in active markets for identical assets and liabilities;

Level 2 Inputs other than quoted prices included with level 1 that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices); and

Level 3 Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The hierarchy valuation of listed investments through profit and loss are shown below:

	30 September 2022 £'000	30 September 2021 £'000	31 March 2022 £'000
Level 1	1,842,148	2,414,193	2,103,727
Level 2	-	-	-
Level 3	18,366[(a)(b)]	26,576[(a)]	20,803[(a)(b)]
Total	**1,860,514**	**2,440,769**	**2,124,530**

[(a)] Trading of Brilliance China Automotive shares on the stock exchange has been suspended since 31 March 2021, and as a result, the stock was fair valued using a beta model (which applies an index movement to observed trade prices) with unobservable inputs shown in the table below. As of 30 September 2021, this holding was disclosed as Level 3 and continues to be classified as Level 3 at 30 September 2022.

[(b)] Russian investments in Gazprom, LUKOIL, Sberbank of Russia, VK, and Yandex were fair valued at zero as at 31 March 2022 as a result of trading being suspended on international stock exchanges. These investments were transferred from Level 1 to Level 3 during the financial year ending 31 March 2022. As at 30 September 2022 these investments, except Gazprom which was sold in April 2022, continue to be fair valued at zero and classified as Level 3.

The following table presents the key unobservable inputs for Brilliance China Automotive's beta model as at 30 September 2022:

Description	**Fair value £'000**	**Unobservable input**	**Weighted average input**	**Reasonable possible shift +/-**	**Reasonable possible shift + £'000**	**Reasonable possible shift - £'000**
Equities	18,366	Index movement	-4%	4%	599	(671)
		Unleveraged beta	0.88	0.5	(338)	338

Shares of Brilliance China Automotive resumed trading on 5 October 2022 (see Note 8 for more details).

The following table presents the movement in Level 3 investments for the period:

	30 September 2022 £'000	**30 September 2021 £'000**	**31 March 2022 £'000**
Opening balance	20,803	-	-
Transfers from Level 1 into Level 3	-	-	149,593
Transfers from Level 2 into Level 3	-	50,954	50,954
Disposal proceeds - sale of Level 3 asset[(a)]	(617)	-	-
Net losses on investments at fair value	(1,820)	(24,378)	(179,744)
Level 3 closing balance	**18,366**	**26,576**	**20,803**

[(a)] Represents the sale of the holding in Gazprom on 25 April 2022.

The fixed term loan is shown at amortised cost within the Statement of Financial Position. If the fixed term loan was shown at fair value the impact would be:

	30 September 2022 £'000	**30 September 2021 £'000**	**31 March 2022 £'000**
Fixed term loan at amortised cost	100,000	100,000	100,000
Fixed term loan at fair value	97,100	102,280	100,390
Increase/(decrease) in net assets	**2,900**	**(2,280)**	**(390)**

The fair value of the fixed term loan included in the table above is calculated by aggregating the expected future cash flows which are discounted at a rate comprising the sum of SONIA rate plus a static spread.

The fixed term loan has been transferred by novation from Scotiabank Europe plc to The Bank of Nova Scotia, London Branch with effective date 28 September 2022. All other contractual terms and conditions remained the same.

8 Events after the reporting period

Revolving credit facility

On 19 October 2022, the Company fully repaid the £50 million revolving facility drawdown included under the current liabilities in the Statement of Financial Position.

Brilliance China Automotive trading

Trading in Brilliance China Automotive shares on the stock exchange has been suspended since 31 March 2021, and as a result, the stock was fair valued using a beta model. The fair value as at 30 September 2022 was £18.4 million. The company announced it has fulfilled all the resumption recommendations set out by the Hong Kong stock exchange and therefore shares resumed trading on 5 October 2022. As at 5 December 2022, the market value was £42.9 million.

The Half Yearly Report for the six months to 30 September 2022 was approved by the Board on 8 December 2022. A copy of the report is available on our website www.temit.co.uk.

The PDF of the Half Yearly Report will be uploaded and available for viewing on the National Storage Mechanism, posted to the website www.temit.co.uk/resources/literature and may also be requested during normal business hours from Client Dealer Services at Franklin Templeton Investment Management Limited on freephone 0800 305 306.

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