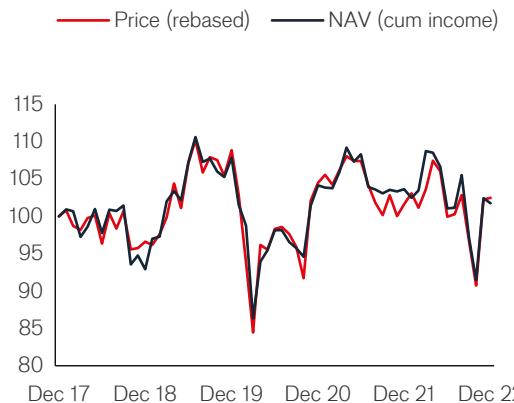
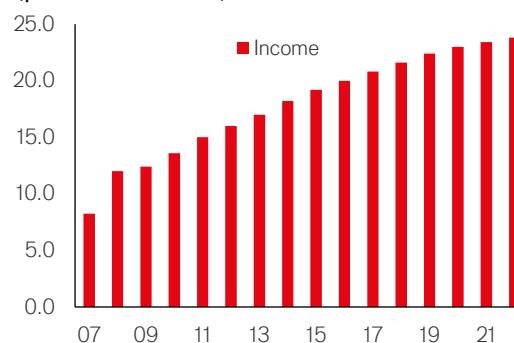


Share price performance  
(total return)Dividend history  
(pence/share)

Please note that this chart could include dividends that have been declared but not yet paid.

Performance  
over (%)

	6m	1y	3y	5y	10y
Share price (Total return)	2.5	0.8	-5.9	2.5	59.9
NAV (Total return)	0.7	-1.8	-5.7	1.7	60.4
Benchmark (Total return)	1.3	3.2	10.0	17.4	75.1
Relative NAV (Total return)	-0.7	-5.0	-15.6	-15.6	-14.7

## Commentary at a glance

## Contributors/detractors

The Company's consumer exposure in China was a strong performer as Li Ning, a domestic sportswear brand, and Midea, a domestic appliances brand, performed well. Guangdong Investment, another position with exposure to the domestic Chinese market, as well as a significant exposure to the water sector, was also a key performer. The weakness in Woodside Energy and IGO Limited, two Australian materials and energy companies, was the key detractor, alongside Telkom Indonesia, which suffered from a de-rating of a key investment holding and lacklustre results.

Discrete year  
performance (%)

	Share price	NAV
31/12/2021 to 31/12/2022	0.8	-1.8
31/12/2020 to 31/12/2021	-2.8	-0.5
31/12/2019 to 31/12/2020	-4.0	-3.4
31/12/2018 to 31/12/2019	12.7	16.1
31/12/2017 to 31/12/2018	-3.4	-7.1

## Outlook

The severity of the impending recession in developed markets will be key in the region, along with the recovery in China following the easing of COVID-19 restrictions. These events will have an impact on corporate profitability, which has already been impacted by weak consumption, stubbornly high inflation, significantly higher interest rates and tighter liquidity from central banks. We are positive on the outlook for earnings (especially dividends) considering the excess cash being generated and the low level of dividends paid out compared to earnings. We remain focused on domestically orientated companies with strong cash flow and sustainable and growing dividends.

## See full commentary on page 3.

References made to individual securities do not constitute a recommendation to buy, sell or hold any security, investment strategy or market sector, and should not be assumed to be profitable. Janus Henderson Investors, its affiliated advisor, or its employees, may have a position in the securities mentioned.

Please remember that past performance does not predict future returns. The value of an investment and the income from it can rise as well as fall as a result of market and currency fluctuations, and you may not get back the amount originally invested.

## Company overview

## Objective

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

## Highlights

A portfolio of value orientated Asia Pacific equities with a focus on cash flow generation from companies with the ability to sustain and grow dividends.

## Company information

NAV (cum income)	264.5p
NAV (ex income)	259.8p
Share price	273.3p
Discount(-)/premium(+) (%)	3.3%
Yield	8.7%
Net gearing	6%
Net cash	-
Total assets	£445m
Net assets	£416m
Market capitalisation	£429m
Total voting rights	157,158,564
Total number of holdings	44
Ongoing charges (year end 31 August 2022)	1.01%
Benchmark	-

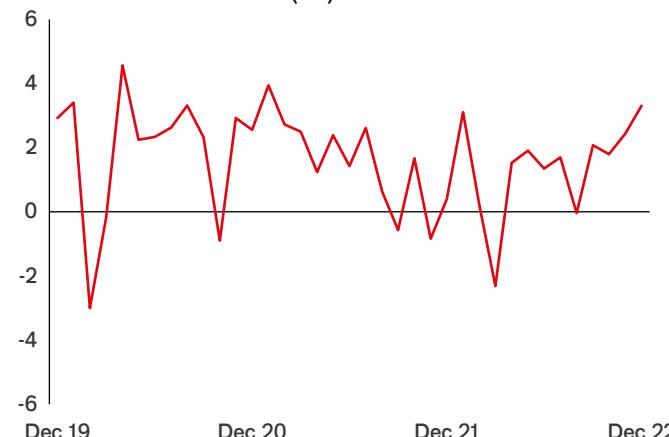
Source: BNP Paribas for holdings information and Morningstar for all other data. Differences in calculation may occur due to the methodology used.

Please note that the total voting rights in the Company does not include shares held in Treasury.

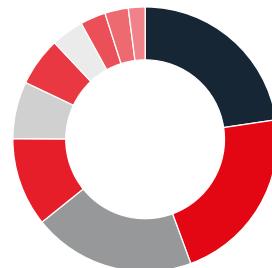
Top 10 holdings	(%)
Hana Financial Group	4.8
BHP Group	4.1
Woodside Energy Group	4.0
KT	3.7
Macquarie Group	3.6
United Overseas Bank	3.3
Rio Tinto	3.2
Digital Telecommunications Infrastructure	3.1
JD.com	3.0
Macquarie Korea Infrastructure Fund	3.0

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### Premium/(discount) of share price to NAV at fair value (%)

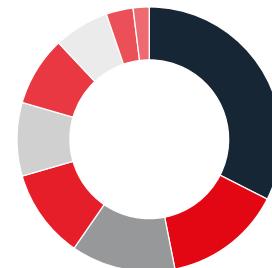


### Geographical focus (%)



The above geographical breakdown may not add up to 100% as this only shows the top 10.

### Sector breakdown (%)



### Key information

Stock code	HFEL
AIC sector	AIC Asia Pacific Equity Income
Benchmark	-
Company type	Conventional (Ords)
Launch date	2006
Financial year	31-Aug
Dividend payment	May, August, November, February
Risk rating (Source: Numis)	Slightly above average
Management fee	0.75% of net assets pa
Performance fee	No
(See Annual Report & Key Information Document for more information)	
Regional focus	Asia Pacific ex Japan
Fund manager appointment	Michael Kerley 2006 Sat Duhra 2019



Mike Kerley  
Fund Manager



Sat Duhra  
Fund Manager

### 10 year return of £1,000



All performance, cumulative growth and annual growth data is sourced from Morningstar

Please remember that past performance does not predict future returns. The value of an investment and the income from it can rise as well as fall as a result of market and currency fluctuations, and you may not get back the amount originally invested.

#### How to invest

Go to [www.janushenderson.com/howtoinvest](http://www.janushenderson.com/howtoinvest)

#### Customer services

0800 832 832

## Fund Manager commentary

### Investment environment

Overall, Asian equities fell over December. The dominant story in the region was the easing of COVID-19 restrictions in China. This supported a strong move in the China and Hong Kong markets but was not enough to offset the weakness elsewhere as Taiwan, South Korea and India fell sharply. Investor sentiment was also hurt by the continued interest rate hikes across the region, as well as the US Federal Reserve (Fed) hike which saw rates there hit a 15-year high.

The China re-opening efforts supported commodities with iron ore prices up over the month. The weaker dollar also created a tailwind for Asian markets, which outperformed the US in December. Information technology was the weakest sector given continued weaker demand data and further earnings cuts from analysts. This impacted the performance of the technology-dominated markets of South Korea and Taiwan. However, financials performed well as rising interest rates supported expectations for rising margins, and earnings upgrades ensued.

In terms of activity, we added a new position in Chinese sportswear brand Anta Sports given its positive strategic outlook as the company integrates strong international brand acquisitions. It has also been a beneficiary of an expected strong pick-up in domestic demand for its branded products. We increased the Company's overall position in China by adding to some existing holdings in domestic consumption companies. This was funded by reducing strong performing telecommunications and Indonesian bank holdings, which had become less attractive to us given the share price rises. We also added to positions in Korean Bank and Hana Financial due to expectations of improving margins and a more progressive dividend policy.

### Portfolio review

The Company's net asset value (NAV) declined 0.7% over the month, outperforming the MSCI AC Asia Pacific ex Japan High Dividend Yield Index benchmark which fell 1.7% (in sterling terms) and the broad FTSE All World Asia Pacific ex Japan Index which fell 1.3%.

## Glossary

### Discount/Premium

The amount by which the price per share of an investment company is either lower (at a discount) or higher (at a premium) than the net asset value per share (cum income), expressed as a percentage of the net asset value per share.

### Gearing

The effect of borrowing money for investment purposes (financial gearing). The amount a company can "gear" is the amount it can borrow in order to invest. Gearing is used in the expectation that the returns on the investments bought will exceed the costs of the borrowings that funded the purchase. This Company can also use synthetic gearing through derivatives and foreign exchange hedging and/or other non-fully funded instruments or techniques.

### Leverage

The Company's leverage is the sum of financial gearing and synthetic gearing. Details of the Company's leverage limits can be found in both the Key Information Document and Annual Report. Where a company utilises leverage, the profits and losses incurred by the company can be greater than those of a company that does not use leverage.

### Market capitalisation

Month end closing mid-market share price multiplied by the number of shares outstanding at month end.

### Net asset value (NAV)

The total value of a fund's assets less its liabilities.

### NAV (Cum Income)

The value of investments and cash, including current year revenue, less liabilities (prior charges such as loans, debenture stock and preference shares at fair value).

### NAV (Ex Income)

The value of investments and cash, excluding current year revenue, less liabilities (prior charges such as loans, debenture stock and preference shares at fair value).

### NAV total return

The theoretical total return on shareholders' funds per share reflecting the change in Net Asset Value (NAV) assuming that dividends paid to shareholders were reinvested at NAV at the time the shares were quoted ex-dividend. A way of measuring investment management performance of investment trusts which is not affected by movements in discounts/premiums.

### Net assets

Total assets minus any liabilities such as bank loans or creditors.

### Net cash

A company's net exposure to cash/cash equivalents expressed as a percentage of shareholders' funds, after any offset against its gearing. This is only shown for companies that have gearing in place.

### Net gearing

A company's total assets (less cash/cash equivalents) divided by shareholders' funds expressed as a percentage.

### Ongoing charges

The total expenses for the financial year (excluding performance fee), divided by the average daily net assets, multiplied by 100.

### Risk rating

The key measure used to assess risk is volatility of returns, using historic net asset value (NAV) performance of the company over 1 and 3 years. In this instance volatility measures how much a company's NAV fluctuates over time in relation to the UK Equity market. The higher a volatility figure, the more the NAV has fluctuated (both up and down) over time. Please note that risk categorisations are indicative and based principally on historic data and should not be solely relied upon when making investment decisions.

### Share price

Closing mid-market share price at month end.

### Share price total return

The theoretical total return to the investor assuming that all dividends received were reinvested in the shares of the company at the time the shares were quoted ex-dividend. Transaction costs are not taken into account.

### Total assets

Cum Income NAV multiplied by the number of shares, plus prior charges at fair value.

### Yield

Calculated by dividing the current financial year's dividends per share (this will include prospective dividends) by the current price per share, then multiplying by 100 to arrive at a percentage figure.

For a full list of terms please visit:

<https://www.janushenderson.com/en-gb/investor/glossary/>

#### Company specific risks

- This Company is suitable to be used as one component in several in a diversified investment portfolio. Investors should consider carefully the proportion of their portfolio invested into this Company.
- Active management techniques that have worked well in normal market conditions could prove ineffective or detrimental at other times.
- The Company could lose money if a counterparty with which it trades becomes unwilling or unable to meet its obligations to the Company.
- Shares can lose value rapidly, and typically involve higher risks than bonds or money market instruments. The value of your investment may fall as a result.
- If a Company's portfolio is concentrated towards a particular country or geographical region, the investment carries greater risk than a portfolio diversified across more countries.
- The return on your investment is directly related to the prevailing market price of the Company's shares, which will trade at a varying discount (or premium) relative to the value of the underlying assets of the Company. As a result losses (or gains) may be higher or lower than those of the Company's assets.
- The Company has significant exposure to Emerging Markets, which tend to be less stable than more established markets and can be affected by local political and economic conditions, reliability of trading systems, buying and selling practices and financial reporting standards.
- The portfolio allows the manager to use options for revenue enhancement purposes. Options can be volatile and may result in a capital loss.
- Where the Company invests in assets which are denominated in currencies other than the base currency then currency exchange rate movements may cause the value of investments to fall as well as rise.
- The Company may use gearing as part of its investment strategy. If the Company utilises its ability to gear, the profits and losses incurred by the Company can be greater than those of a Company that does not use gearing.
- All or part of the Company's management fee is taken from its capital. While this allows more income to be paid, it may also restrict capital growth or even result in capital erosion over time.

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