

Aberdeen Standard Emerging Opportunities Fund

ARSN 109 536 503

Interim Financial Report
For the half-year ended 31 December 2018

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Directors' report

The directors of Aberdeen Standard Investments Australia Limited, the Responsible Entity (the "Responsible Entity"), of the Aberdeen Standard Emerging Opportunities Fund (the "Scheme"), present their report together with the financial statements of the Scheme for the half-year ended 31 December 2018 and the auditor's report thereon.

Responsible Entity

The registered office and principal place of business of the Responsible Entity and the Scheme is Level 10, 255 George Street Sydney, NSW 2000.

The directors of Aberdeen Standard Investments Australia Limited during or since the end of the financial half-year and up to the date of this report are as follows:

Hugh Young
Brett Jollie
Robert Penaloza
Gil Orski
Stuart James
Nicholas George Bishop (resigned 28 February 2019)

Principal activities

The Scheme is a registered managed investment scheme domiciled in Australia.

The Scheme continued to invest and trade in securities listed on emerging exchanges worldwide or companies and managed investment schemes with significant activities in emerging markets, in accordance with the provisions of the Scheme's Constitution.

The overall investment objective of the Scheme is to provide investors with high capital growth over the medium to long term by seeking exposure to emerging stock markets worldwide or companies with significant activities in emerging markets. The Scheme aims to outperform the MSCI Emerging Markets Index in 3 - 5 years.

The Scheme did not have any employees during the half-year.

There were no significant changes in the nature of the Scheme's activities during the half-year.

Review and results of operations

Results

The performance of the Scheme, as represented by the results of its operations, was as follows:

	Half-year ended	
	31 December 2018 \$	31 December 2017 \$
Operating profit	<u>4,096,333</u>	<u>67,944,716</u>

No distributions were paid during the half-year ended 31 December 2018 and 31 December 2017.

Significant changes in the state of affairs

In the opinion of the directors of the Responsible Entity, there were no significant changes in the state of the affairs of the Scheme that occurred during the half-year under review.

Directors' report (continued)

Matters subsequent to the end of the half-year

As the investments are measured at their 31 December 2018 fair values in the interim financial report, any volatility in values subsequent to the balance date is not reflected in the Statement of Comprehensive Income or the Statement of Financial Position. However, the current value of investments has been reflected in the current unit price.

No matter or circumstance has arisen since 31 December 2018 that has significantly affected, or may significantly affect:

- (i) the operations of the Scheme in future financial years, or
- (ii) the results of those operations in future financial years, or
- (iii) the state of affairs of the Scheme in future financial years.

Likely developments and expected results of operations

The Scheme will continue to pursue its policy of increasing returns through active investment selection.

Further information on likely developments in the operations of the Scheme and the expected results of those operations in future financial years has not been included in this report because the Responsible Entity believes it would be likely to result in unreasonable prejudice to the Scheme.

Indemnity and insurance premiums of officers and auditors

Indemnity

Since the end of the previous financial year, the Scheme has not indemnified or made a relevant agreement for indemnifying against a liability any person who is or has been an officer of the Responsible Entity or an auditor of the Scheme.

Insurance Premiums

During the half-year, the Responsible Entity paid a premium under a contract insuring each director of the Scheme against liability incurred in their respective capacities. Disclosure of the nature of the liability and the amount of the premium is prohibited by the confidentiality clause as stated in the insurance contract. The Responsible Entity has not provided any insurance to a related body corporate or to an auditor of the Scheme.

Environmental regulation

The operations of the Scheme are not subject to any particular or significant environmental regulations under a Commonwealth, State or Territory law.

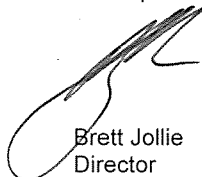
Rounding of amounts to the nearest dollar

The Scheme is an entity of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by the Australian Securities and Investments Commission (ASIC) relating to the "rounding off" of amounts in the Directors' report. Amounts in the Directors' report have been rounded to the nearest dollar in accordance with that ASIC Corporations Instrument, unless otherwise indicated.

Auditor's independence declaration

The lead auditor's independence declaration is set out on page 4 and forms part of the Directors' report for the half-year ended 31 December 2018.

This report is made in accordance with a resolution of the directors.



Brett Jollie
Director

Sydney
12 March 2019



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Aberdeen Standard Investments Australia Limited as
Responsible Entity for Aberdeen Standard Emerging Opportunities Fund

I declare that, to the best of my knowledge and belief, in relation to the review of Aberdeen Standard Emerging Opportunities Fund for the half-year ended 31 December 2018 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature of the KPMG firm, written in a cursive, stylized font.

KPMG

A handwritten signature of Karen Hopkins, written in a cursive, stylized font.

Karen Hopkins
Partner

Sydney
12 March 2019

Statement of comprehensive income

	Half-year ended	
	31 December	31 December
	2018	2017
	\$	\$
Investment income		
Interest income	87,331	173,621
Dividends and distribution income	8,529,653	9,803,201
Net gains from financial instruments held at fair value through profit or loss	4,284,357	67,970,151
Net foreign exchange gain	119,033	154,122
Other operating income	653	28,368
Total investment income	13,021,027	78,129,463
Expenses		
Management fees	7,316,868	8,648,856
Transaction costs	514,602	250,663
Withholding tax expense	1,092,948	1,276,880
Other operating expenses	276	8,348
Total operating expenses	8,924,694	10,184,747
Profit from operating activities	4,096,333	67,944,716
Finance costs		
Change in net assets attributable to unitholders	4,096,333	67,944,716
Profit/(loss) for the half-year	-	-
Other comprehensive income for the half-year	-	-
Total comprehensive income for the half-year	-	-

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Statement of financial position

		As at	
		31 December	30 June
		2018	2018
	Notes	\$	\$
Assets			
Cash and cash equivalents		5,991,820	9,455,113
Applications receivable		305,764	1,727,383
Balances due from brokers		4,181,848	11,943,097
Receivables		2,402,275	3,863,860
Financial assets held at fair value through profit or loss	4	879,594,951	1,069,557,676
Total assets		892,476,658	1,096,547,129
Liabilities			
Distributions payable		-	55,854,396
Redemptions payable		450,983	2,187,911
Balances due to brokers		-	1,781,415
Payables		1,227,287	1,326,652
Financial liabilities held at fair value through profit or loss	5	26	-
Total liabilities (excluding net assets attributable to unitholders)		1,678,296	61,150,374
Net assets attributable to unitholders - liability	7	890,798,362	1,035,396,755

The above statement of financial position should be read in conjunction with the accompanying notes.

Statement of changes in equity

For the half-year ended 31 December 2018

The Scheme's net assets attributable to unitholders are classified as a liability under AASB 132 *Financial Instruments: Presentation*. As such the Scheme has no equity and no items of changes in equity have been presented for the current or comparative period.

Statement of cash flows

	Half-year ended	
	31 December	31 December
	2018	2017
	\$	\$
Cash flows from operating activities		
Proceeds from sale of financial instruments held at fair value through profit or loss	277,386,799	90,675,738
Purchase of financial instruments held at fair value through profit or loss	(77,159,857)	(123,051,344)
Dividends and distributions received	10,066,401	10,050,530
Interest received	94,053	110,497
GST (paid)/ received	(81,885)	59,777
Other income received	653	28,368
Management fees paid	(7,405,765)	(8,496,683)
Withholding tax paid	(1,092,948)	(1,276,880)
Transaction costs paid	(516,820)	(261,006)
Payment of other expenses	(8,526)	(8,348)
Net cash inflow/(outflow) from operating activities	201,282,105	(32,169,351)
Cash flows from financing activities		
Proceeds from applications by unitholders	84,806,624	156,303,006
Payments for redemptions by unitholders	(233,816,659)	(112,400,689)
Distributions paid	(55,854,396)	(16,768,249)
Net cash (outflow)/inflow from financing activities	(204,864,431)	27,134,068
Net decrease in cash and cash equivalents	(3,582,326)	(5,035,283)
Cash and cash equivalents at the beginning of the half-year	9,455,113	16,685,714
Effect of foreign currency exchange rate changes on cash and cash equivalents	119,033	154,122
Cash and cash equivalents at the end of the half-year	5,991,820	11,804,553

The above statement of cash flows should be read in conjunction with the accompanying notes.

Contents of the notes to the interim financial statements

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1 General information

This interim financial report covers Aberdeen Standard Emerging Opportunities Fund (the "Scheme") as an individual entity.

The Responsible Entity of the Scheme is Aberdeen Standard Investments Australia Limited (the "Responsible Entity"). The Responsible Entity's registered office is Level 10, 255 George Street Sydney, NSW 2000. This interim financial report is presented in Australian currency.

This interim financial report was authorised for issue by the directors on 12 March 2019. The directors of the Responsible Entity have the power to amend and reissue the interim financial report.

2 Basis of preparation of interim financial statements

This general purpose financial report for the half-year ended 31 December 2018 has been prepared in accordance with *Corporations Act 2001* and Australian Accounting Standard AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard AASB 134 *Interim Financial Reporting*.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this financial report should be read in conjunction with the annual financial report for the year ended 30 June 2018 and any public announcements made in respect of the Scheme during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

Changes in significant accounting policies

Except as disclosed below, the accounting policies adopted in these interim financial statements are consistent with those of the previous financial year.

The Scheme applies, for the first time, AASB 9 *Financial Instruments* and AASB 15 *Revenue from Contracts with Customers*. The nature and effect of the restatement of previous financial statements as required by AASB 134, are disclosed below.

(a) AASB 9 Financial Instruments

AASB 9 *Financial Instruments* became effective for financial years commencing on or after 1 January 2018. AASB 9 replaces AASB 139 *Financial Instruments: Recognition and Measurement*, including the following three aspects of the accounting for financial instruments: classification and measurement, impairment and hedge accounting.

(i) Classification and measurement

Classification and measurement of securities is driven by the Scheme's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Derivative and equity instruments are measured at fair value through profit or loss unless, for equity instruments not held for trading, an irrevocable option is taken to measure at fair value through other comprehensive income.

Assets

The Scheme classifies its investments based on its business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The Scheme's portfolio of financial assets is managed and performance is evaluated on a fair value basis in accordance with the Scheme's documented investment strategy. The Responsible Entity evaluates the information about these financial assets on a fair value basis together with other related financial information.

For equity securities and derivatives such as futures and foreign currency contracts, the contractual cash flows of these instruments do not represent solely payments of principal and interest (SPPI).

The Scheme holds equity securities of \$690,241,779 (30 June 2018: \$829,109,325) and unit trusts of \$189,353,172 (30 June 2018: \$240,448,351) which had previously been designated at fair value through profit or loss. On adoption of AASB 9 these securities are mandatorily classified as fair value through profit or loss.

Consequently, these investments are measured at fair value through profit or loss, which is the same measurement basis as previously applied under AASB 139.

Liabilities

Derivative contracts that have a negative fair value are presented as liabilities at fair value through profit or loss.

The Scheme holds derivatives of \$26 (30 June 2018: nil) which had previously been held for trading. On adoption of AASB 9 these securities are mandatorily classified as fair value through profit or loss.

2 Basis of preparation of interim financial statements (continued)

Changes in significant accounting policies (continued)

(a) AASB 9 Financial Instruments (continued)

Measurement

At initial recognition, the Scheme measures financial assets and financial liabilities at fair value, plus, in the case of a financial asset or liability not measured at fair value through profit or loss, transaction costs.

Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value. Gains and losses arising from changes in the fair value of the financial assets or financial liabilities at fair value through profit or loss category are presented in the Statement of Comprehensive Income within 'Net gains/(losses) on financial instruments at fair value through profit or loss' in the period in which they arise.

For further details on how the fair values of financial instruments are determined please see Note 3 to the financial statements.

(ii) Impairment

AASB 9 also introduces a new expected credit loss (ECL) approach to recognise and measure impairment, which replaces AASB 139's, incurred loss approach. AASB 9 requires the Scheme to record an allowance for ECLs for all financial assets not held at fair value through profit or loss.

The ECL approach is based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Scheme expects to receive. The shortfall is then discounted at an approximation to the asset's original effective interest rate.

For receivables, due from brokers and applications receivable, the Scheme has applied the standard's simplified approach and has calculated ECLs based on lifetime expected credit losses.

The Scheme considers a financial asset in default when contractual payment are 90 days past due. However, in certain cases, the Scheme may also consider a financial asset to be in default when internal or external information indicates that the Scheme is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Scheme.

The Scheme does not have a history of significant credit losses on its financial assets not held at fair value and does not anticipate significant credit losses into the future, and therefore, no significant provisions have been made upon adoption of the new standard.

There was no material impact to the Scheme upon adoption of the ECL requirements of AASB 9.

(iii) Hedge accounting

The Scheme does not apply hedge accounting.

(iv) Investment income

Interest income from financial assets at amortised cost is recognised on a time-proportionate basis using the effective interest method and includes interest from cash and cash equivalents.

Interest from financial assets at fair value through or loss is determined based on the contractual coupon interest rate and includes interest from debt securities.

Distribution income from financial assets at fair value through profit or loss is recognised in the condensed statement of comprehensive income within distribution income when the Scheme's right to receive payments is established.

The Scheme's measurement of investment income under AASB 9 is consistent with the measurement basis previously applied under AASB 139.

(v) Restatement of comparatives

Comparatives are not being reinstated for the reasons mentioned above.

(vi) Derecognition

Accounting for derecognition of financial instruments remain unchanged from the requirements of AASB 139.

2 Basis of preparation of interim financial statements (continued)

Changes in significant accounting policies (continued)

(b) AASB 15 Revenue from Contracts with Customers

AASB 15 *Revenue from Contracts with Customers* is effective for financial years commencing on or after 1 January 2018 and it replaces AASB 118 *Revenue* and related Interpretations.

The adoption of AASB 15 does not have an impact on the Scheme's accounting policies or the amounts recognised in the financial statements because the Scheme's main sources of income (i.e. interest, dividends, distributions and gains on financial instruments held at fair value) are all outside the scope of the new accounting standard.

There are no other standards, interpretations or amendments to existing standards that are effective for the first time for financial years commencing on or after 1 January 2018 that have a material impact on the amounts recognised in the prior periods or will affect the current or future periods.

3 Fair value measurement

The Scheme measures and recognises the following assets and liabilities at fair value on a recurring basis

- Financial assets / liabilities at fair value through profit or loss (FVTPL) (see Note 4 and Note 5);
- Derivative financial instruments (see Note 6).

The Scheme has no assets or liabilities measured at fair value on a non-recurring basis in the current reporting period.

AASB 13 requires disclosure of fair value measurements by level of the following fair value hierarchy;

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

(i) Fair value in an active market (level 1)

The fair value of financial assets and liabilities traded in active markets are based on quoted market prices at the close of trading at the end of the reporting period without any deduction for estimated future selling costs. For the majority of its investments, the Scheme relies on information provided by independent pricing services for the valuation of its investments.

The quoted market price used for financial assets and liabilities is the last traded price. Where the last traded price does not fall within the bid-ask spread, an assessment is performed by management to determine the appropriate valuation price to use that is most representative of fair value.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly 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.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

(ii) Fair value in an inactive or unquoted market (level 2 and level 3)

The fair value of financial assets and liabilities that are not traded in an active market is determined using valuation techniques. These include the use of recent arm's length market transactions, reference to the current fair value of a substantially similar other instrument, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the end of the reporting period applicable for an instrument with similar terms and conditions.

For other pricing models, inputs are based on market data at the reporting date. Fair values for unquoted equity investments are estimated, if possible, using applicable price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer.

The fair value of derivatives that are not exchange traded is estimated at the amount that the Scheme would receive or pay to terminate the contract at the reporting date taking into account current market conditions (volatility and appropriate yield curve) and the current creditworthiness of the counterparties. The fair value of a forward contract is determined as a net present value of estimated future cash flows, discounted at appropriate market rates as at the valuation date.

3 Fair value measurement (continued)

Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions. The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Scheme holds. Valuations are therefore adjusted, where appropriate, to allow for additional factors including liquidity risk and counterparty risk.

Recognised fair value measurements

The following table presents the Scheme's financial assets and liabilities measured and recognised at fair value as at 31 December 2018 and 30 June 2018:

	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
At 31 December 2018				
Financial assets				
Financial assets designated at fair value through profit or loss at inception:				
Listed equity securities	690,241,779	-	-	690,241,779
International unlisted managed investment schemes	-	189,353,172	-	189,353,172
Total	690,241,779	189,353,172	-	879,594,951
Financial liabilities				
Financial liabilities at fair value through profit or loss				
Derivatives	-	26	-	26
Total	-	26	-	26
	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
At 30 June 2018				
Financial assets				
Financial assets designated at fair value through profit or loss at inception:				
Listed equity securities	829,109,325	-	-	829,109,325
International unlisted managed investment schemes	-	240,448,351	-	240,448,351
Total	829,109,325	240,448,351	-	1,069,557,676

(i) Transfers between levels

The Scheme's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

There have been no transfers between levels for the year ended 31 December 2018 and 30 June 2018. There were no changes made to any of the valuation techniques applied as of 31 December 2018.

(ii) Fair value measurements using significant unobservable inputs (level 3)

The Scheme did not hold any financial instruments with fair value measurements using significant unobservable inputs during the half-year ended 31 December 2018 or year ended 30 June 2018.

(iii) Valuation processes

Portfolio reviews are undertaken regularly by management to identify securities that potentially may not be actively traded or have stale security pricing. This process identifies securities which possibly could be regarded as being level 3 securities. Further analysis, should it be required, is undertaken to determine the accounting significance of the identification. For certain security types, in selecting the most appropriate valuation model, management performs back testing and considers actual market transactions. Changes in allocation to/ or from level 3 are analysed at the end of each reporting period.

The investments in other unit trusts are recorded at the redemption value per unit as reported by the investment managers of such funds. Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

(iv) Financial instruments not measured at fair value

3 Fair value measurement (continued)

The carrying value less impairment provision of other receivables and payables are assumed to approximate their fair values due to their short term nature.

4 Financial assets held at fair value through profit or loss

	31 December 2018 \$	As at 30 June 2018 \$
Financial assets at fair value through profit or loss		
International listed equity securities	690,241,779	829,109,325
International unlisted managed investment schemes	<u>189,353,172</u>	<u>240,448,351</u>
Total designated at fair value through profit or loss	<u>879,594,951</u>	<u>1,069,557,676</u>
Total financial assets held at fair value through profit or loss	<u>879,594,951</u>	<u>1,069,557,676</u>

5 Financial liabilities held at fair value through profit or loss

	31 December 2018 \$	As at 30 June 2018 \$
Financial liabilities at fair value through profit or loss		
Derivatives (Note 6)	<u>26</u>	<u>-</u>
Total financial liabilities held at fair value through profit or loss	<u>26</u>	<u>-</u>

6 Derivative financial instruments

In the normal course of business, the Scheme may enter into transactions in various derivative financial instruments with certain risks. A derivative is a financial instrument or other contract which is settled at a future date whose value changes in response to a change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index or other variable.

Derivative financial instruments require no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.

Derivative transactions include many different instruments, such as forward currency contracts. Consequently, the use of derivatives is multifaceted and includes:

- hedging to protect an asset or liability of the Scheme against a fluctuation in market values or to reduce volatility;
- a substitution for trading of physical securities; and
- adjusting asset exposures within the parameters set in the investment strategy.

Derivatives are not used to gear (leverage) a portfolio. Gearing a portfolio would occur if the level of exposure to the markets exceeds the underlying value of the Scheme.

6 Derivative financial instruments (continued)

The Scheme holds the following derivative instruments:

Foreign currency contracts

Forward currency contracts are primarily used by the Scheme to economically hedge against foreign currency exchange rate risks on its non-Australian dollar denominated trading securities. The Scheme agrees to receive or deliver a fixed quantity of foreign currency for an agreed upon price on an agreed future date. Forward currency contracts are valued at the prevailing price at the end of each reporting period. The Scheme recognises a gain or loss equal to the change in fair value at the end of each reporting period.

Notional amounts are the underlying amounts to stock exchange indices, equities and foreign currencies upon which the fair value of the foreign currency contracts traded by the Scheme are based. While notional amounts do not represent the current fair value and are not necessarily indicative of the future cash flows of the Scheme's foreign currency contracts, the underlying price changes in relation to the variables specified by the notional amounts effect the fair values of these derivative financial instruments.

The Scheme's derivative financial instruments as at 31 December 2018 and 30 June 2018 are detailed below:

	Notional	Fair Values	
	\$	Assets	Liabilities
		\$	\$
31 December 2018			
Foreign currency contracts	9,003	-	(26)
	<u>9,003</u>	<u>-</u>	<u>(26)</u>

7 Net assets attributable to unitholders

As stipulated within the Scheme's Constitution, each unit represents a right to an individual share in the Scheme and does not extend to a right to the underlying assets of the Scheme. There are no separate classes of units and each unit has the same rights attaching to it as all other units of the Scheme.

Movements in the number of units and net assets attributable to unitholders during the half-year were as follows:

	31 December	Half-year ended		31 December
	2018	31 December	31 December	31 December
	No.	2017	2018	2017
		No.	\$	\$
Opening balance	464,817,794	453,679,164	1,035,396,755	1,079,806,784
Applications	37,386,750	63,347,363	83,385,005	155,719,249
Redemptions	(104,411,823)	(45,675,246)	(232,079,731)	(111,531,375)
Change in net assets attributable to unitholders	-	-	4,096,333	67,944,716
Closing balance	<u>397,792,721</u>	<u>471,351,281</u>	<u>890,798,362</u>	<u>1,191,939,374</u>

Capital risk management

The Scheme considers its net assets attributable to unitholders as capital, notwithstanding net assets attributable to unitholders are classified as a liability. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Scheme is subject to daily applications and redemptions at the discretion of unitholders.

Daily applications and redemptions are reviewed relative to the liquidity of the Scheme's underlying assets on a daily basis by the Responsible Entity. Under the terms of the Scheme's Constitution, the Responsible Entity has the discretion to reject an application for units and to defer or adjust a redemption of units if the exercise of such discretion is in the best interests of unitholders.

8 Related party transactions

Responsible Entity

The Responsible Entity of the Scheme is Aberdeen Standard Investments Australia Limited (ABN 59 002 123 364). The ultimate owner of Aberdeen Standard Investments Australia Limited is Standard Life Aberdeen PLC in the United Kingdom and the scheme continues to be managed by a wholly Australian subsidiary of Standard Life Aberdeen PLC.

The directors of Aberdeen Standard Investments Australia Limited during the half-year and up to the date of this report are as follows:

Hugh Young
Brett Jollie
Robert Penaloza
Gil Orski
Stuart James
Nicholas George Bishop (resigned 28 February 2019)

(a) There have been no significant changes to the related party transactions disclosed in the last annual report.

(b) All transactions with related parties are conducted on normal commercial terms and conditions. From time to time the Scheme or its director-related entities may invest in or withdraw from the Scheme. These investments or withdrawals are on the same terms and conditions as those entered into by other Scheme investors or are trivial and domestic in nature.

9 Events occurring after the reporting period

As the investments are measured at their 31 December 2018 fair values in the financial report, any volatility in values subsequent to the balance date is not reflected in the Statement of Comprehensive Income or the Statement of Financial Position. However, the current value of investments has been reflected in the current unit price.

No significant events have occurred since the end of the reporting period which would impact on the financial position of the Scheme disclosed in the Statement of Financial Position as at 31 December 2018 or on the results and cash flows of the Scheme for the half-year ended on that date.

10 Contingent assets and liabilities and commitments

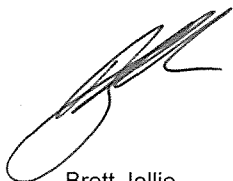
There are no outstanding contingent assets and liabilities or commitments as at 31 December 2018 and 30 June 2018.

Directors' declaration

In the opinion of the directors of Aberdeen Standard Investments Australia Limited, the Responsible Entity of Aberdeen Standard Emerging Opportunities Fund (the "Scheme"):

- (a) the financial statements and notes set out on pages 5 to 16, are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Scheme's financial position as at 31 December 2018 and of its performance, for the six month period ended on that date; and
 - (ii) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
- (b) there are reasonable grounds to believe that the Scheme will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors of Aberdeen Standard Investments Australia Limited.



Brett Jollie
Director

Sydney
12 March 2019



Independent Auditor's Review Report

To the unitholders of Aberdeen Standard Emerging Opportunities Fund

Report on the Interim Financial Report

Conclusion

We have reviewed the accompanying **Interim Financial Report** of Aberdeen Standard Emerging Opportunities Fund.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the Interim Financial Report of Aberdeen Standard Emerging Opportunities Fund ("the Scheme") is not in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Scheme's financial position as at 31 December 2018 and of its performance for the half-year ended on that date; and
- complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*.

The **Interim Financial Report** comprises:

- Statement of financial position as at 31 December 2018
- Statement comprehensive income, Statement of changes in equity and Statement of cash flows for the half-year ended on that date
- Notes 1 to 10 comprising a summary of significant accounting policies and other explanatory information
- The Directors' Declaration.

Responsibilities of the Directors for the Interim Financial Report

The Directors of the Responsible Entity, Aberdeen Standard Investments Australia Limited, ("the Directors") are responsible for:

- the preparation of the Interim Financial Report that gives a true and fair view in accordance with *Australian Accounting Standards* and the *Corporations Act 2001*
- such internal control as the Directors determine is necessary to enable the preparation of the Interim Financial Report that is free from material misstatement, whether due to fraud or error.



Auditor's responsibility for the review of the Interim Financial Report

Our responsibility is to express a conclusion on the Interim Financial Report based on our review. We conducted our review in accordance with *Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the Interim Financial Report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Scheme's financial position as at 31 December 2018 and its performance for the half-year ended on that date; and complying with *Australian Accounting Standard AASB 134 Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Aberdeen Standard Emerging Opportunities Fund, *ASRE 2410* requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an Interim Period Financial Report 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 *Australian Auditing Standards* 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.

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

KPMG

Karen Hopkins
Partner

Sydney
12 March 2019

Directory

Responsible Entity

Aberdeen Standard Investments Australia Limited

ABN 59 002 123 364

Registered Office and Principal Place of Business

Level 10

255 George Street

SYDNEY NSW 2000

Telephone: 1800 636 888

Custodian

BNP Paribas Securities Services

60 Castlereagh Street

SYDNEY NSW 2000

Telephone: 9216 8633

Auditor

KPMG

Tower Three

International Towers Sydney

300 Barangaroo Avenue

SYDNEY NSW 2000

Responsible entity and registered address

Aberdeen Standard Investments Australia Limited

ABN 59 002 123 364

AFS Licence No. 240263

Level 10, 255 George St Sydney NSW 2000

GPO Box 4306 Sydney NSW 2001

Phone: +61 2 9950 2888 Fax: +61 2 9950 2800

Australia (Toll Free) 1800 636 888

www.aberdeenstandard.com.au

AU-130319-85183-4

