

# Jupiter Investment Management Series I

Annual Report & Accounts

For the year ended 31 July 2023



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## Company Information

### Authorised Corporate Director (“ACD”)

Jupiter Fund Managers Limited  
(prior to 14 November 2022)  
The Zig Zag Building  
70 Victoria Street  
London SW1E 6SQ

*Authorised and regulated by the Financial Conduct Authority.*

Jupiter Unit Trust Managers Limited  
(from 14 November 2022)  
The Zig Zag Building  
70 Victoria Street  
London SW1E 6SQ

*Authorised and regulated by the Financial Conduct Authority.*

### Investment Adviser

Jupiter Investment Management Limited  
The Zig Zag Building  
70 Victoria Street  
London SW1E 6SQ

*Authorised and regulated by the Financial Conduct Authority.*

### Independent Auditor

KPMG LLP  
(prior to 28 July 2023)  
319 St. Vincent Street  
Glasgow  
G2 5AS

Ernst and Young Services Limited  
(from 28 July 2023)  
Atria One  
144 Morrison Street  
Edinburgh EH3 8EX

### Administrator

Northern Trust Investor Services Limited  
50 Bank Street  
Canary Wharf  
London E14 5NT

*Authorised and regulated by the Financial Conduct Authority.*

### Directors of the ACD

Jupiter Fund Managers Limited  
(prior to 14 November 2022)  
P Wagstaff  
V Lazenby (resigned 5 September 2022)  
P Moore  
J Singh  
D Skinner – Non-Executive Director  
T Scholefield – Non-Executive Director

Jupiter Unit Trust Managers Limited  
(from to 14 November 2022)

P Wagstaff  
P Moore  
J Singh  
D Skinner – Non-Executive Director  
T Scholefield – Non-Executive Director  
G Pound (appointed 8 February 2023)  
J Leach (appointed 14 September 2023)

### Depository

Northern Trust Investor Services Limited  
Trustee and Depository Services  
50 Bank Street  
Canary Wharf  
London E14 5NT

*Authorised and regulated by the Financial Conduct Authority.*

### Legal Adviser

Macfarlanes LLP  
20 Cursitor Street  
London EC4A 1 LT

## Company Information *(continued)*

### Registrar

FNZ TA Services Limited  
(prior to 14 November 2022)  
Suite 1  
3rd Floor  
11-12 St. James's Square  
London SW1Y 4LB

SS&C Financial Services International Ltd  
(from 14 November 2022)  
SS&C House  
St Nicholas Lane Basildon  
Essex SS15 5FS

*(The register of shareholders can be inspected at the above address).*

## Report of the Directors of Jupiter Investment Management Series I

The Directors present the report and financial statements for the Jupiter Investment Management Series I ("the Company") for the year ended 31 July 2023.

### Authorised Status

The Company is an Open-Ended Investment Company ("OEIC") incorporated as an Investment Company with Variable Capital ("ICVC") under Regulation 12 (authorisation) of the OEIC Regulations. It is incorporated in England and Wales and authorised by the Financial Conduct Authority under the OEIC Regulations 2001 and the Collective Investment Schemes Sourcebook ("the Regulations"). It is a UCITS scheme for the purposes of that part of the Financial Conduct Authority's Handbook of Rules and Guidance which deals with regulated collective investment schemes (the "Sourcebook").

### Liability

The Company is under the "Protected cell" regime. As such, each sub-fund has a specific portfolio of securities to which that sub-fund's assets and liabilities are attributable. So far as investors are concerned each sub-fund will be treated as a separate entity. The assets of a sub-fund shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including the Company and any other sub-fund and shall not be available for any such purpose.

### Change of ACD

With effect from 14 November 2022, the ACD changed from Jupiter Fund Managers Limited to Jupiter Unit Trust Managers Limited. There were no changes to the Directors of the ACD, except for the appointment of Gaelle Pound on 8 February 2023 and Jane Leach on 14 September 2023.

### Change of Independent Auditor

With effect from 28 July 2023, the Independent Auditor changed from KPMG LLP to Ernst and Young Services Limited.

### Change of Registrar

With effect from 14 November 2022, the Registrar changed from FNZ TA Services Limited to SS&C Financial Services International Ltd.

### Director Changes

Veronica Lazenby resigned as a Director of the Authorised Corporate Director effective 5 September 2022.

Gaelle Pound was appointed as a Director of the Authorised Corporate Director effective 8 February 2023.

Jane Leach was appointed as a Director of the Authorised Corporate Director effective 14 September 2023.

### Sub-fund Closures

The Authorised Corporate Director closed the Jupiter Investment Grade Bond Fund and merged all of its shares into the Jupiter Corporate Bond Fund on 21 July 2023. All costs associated with the closure will be borne by the Authorised Corporate Director. As such, the financial statements for this sub-fund have not been prepared on a going concern basis.

The Authorised Corporate Director intends to close the Merian UK Equity Income Fund and merge all of its shares into the Jupiter Responsible Income Fund on 24 November 2023. All costs associated with the closure will be borne by the Authorised Corporate Director. As such, the financial statements for this sub-fund have not been prepared on a going concern basis.

## Report of the Directors of Jupiter Investment Management Series I *(continued)*

### Additional Information

These financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) for Authorised Funds issued by the Investment Management Association (now referred to as the Investment Association) in May 2014 and amended in 2017.

The Company is an umbrella scheme which complies with the Financial Conduct Authority's Collective Investment Schemes Sourcebook (COLL) and as at 31 July 2023 has seven sub-funds (listed below). Additional sub-funds may be launched in the future.

| <b>Sub-fund name</b>               | <b>Launch date</b> |
|------------------------------------|--------------------|
| Jupiter Investment Grade Bond Fund | 17 June 2000       |
| Jupiter Monthly Income Bond Fund   | 30 September 2004  |
| Jupiter UK Alpha Fund              | 15 June 2018       |
| Merian UK Equity Income Fund       | 30 September 1975  |
| Jupiter UK Mid Cap Fund            | 22 February 2002   |
| Jupiter UK Opportunities Fund      | 02 August 2013     |
| Jupiter UK Smaller Companies Fund  | 09 February 2001   |

In accordance with the requirements of the Financial Services and Market Act 2000, we hereby certify these financial statements on behalf of the Authorised Corporate Director.

#### **P Moore**

For and on behalf of Jupiter Unit Trust Managers Limited  
Director  
23 November 2023

#### **G Pound**

For and on behalf of Jupiter Unit Trust Managers Limited  
Director  
23 November 2023



## Authorised Corporate Director's report

The purpose of this report is to provide details of the progress of the Company, and the sub-funds contained within. The report provides details of the performance and the portfolio of each of the sub-funds.

|  | 31 July 2023                                  |                    |                                    | 31 July 2022                                  |                    |                                    |
|--|---|--------------------|------------------------------------|---|--------------------|------------------------------------|
|  | Net Asset Value of sub-fund per share class £ | Shares in Issue    | Net Asset Value in pence per share | Net Asset Value of sub-fund per share class £ | Shares in Issue    | Net Asset Value in pence per share |
| <b>Jupiter Investment Grade Bond Fund*</b> | –   | –                  | –                                  | 212,319,086                                   | 152,863,077        | –                                  |
| L (GBP) Income                             | –   | –                  | 99.94                              | 4,090,513                                     | 3,590,153          | 113.94                             |
| L (GBP) Accumulation                       | –   | –                  | 222.51                             | 44,265,880                                    | 17,952,437         | 246.57                             |
| I (GBP) Income                             | –   | –                  | 96.94                              | 37,027,126                                    | 33,668,719         | 109.97                             |
| I (GBP) Accumulation                       | –   | –                  | 123.80                             | 74,316,911                                    | 54,438,008         | 136.52                             |
| P (GBP) Income                             | –   | –                  | 101.74                             | 1,317,209                                     | 1,139,546          | 115.59                             |
| P (GBP) Accumulation                       | –   | –                  | 168.69                             | 1,319,822                                     | 708,463            | 186.29                             |
| U1 (GBP) Income                            | –   | –                  | 89.39                              | 9,416,126                                     | 9,313,224          | 101.10                             |
| U1 (GBP) Accumulation                      | –   | –                  | 115.30                             | 40,307,553                                    | 31,796,064         | 126.77                             |
| U2 (GBP) Income                            | –   | –                  | 88.75                              | 257,946                                       | 256,463            | 100.58                             |
| <b>Jupiter Monthly Income Bond Fund</b>    | <b>193,654,719</b>                            | <b>192,750,276</b> | –                                  | <b>138,403,881</b>                            | <b>125,440,311</b> | –                                  |
| L (GBP) Income                             | 5,704,044                                     | 16,158,068         | 35.30                              | 5,664,968                                     | 15,162,752         | 37.36                              |
| L (GBP) Accumulation                       | 6,429,040                                     | 7,473,228          | 86.03                              | 6,703,234                                     | 7,827,585          | 85.64                              |
| I (GBP) Income                             | 40,739,591                                    | 43,004,906         | 94.73                              | 19,681,514                                    | 19,729,930         | 99.75                              |
| I (GBP) Accumulation                       | 60,258,311                                    | 43,079,478         | 139.88                             | 52,437,767                                    | 37,849,854         | 138.54                             |
| P (GBP) Income                             | 261,177                                       | 295,895            | 88.27                              | 302,869                                       | 325,362            | 93.09                              |
| P (GBP) Accumulation                       | 124,311                                       | 76,452             | 162.60                             | 686,682                                       | 425,739            | 161.29                             |
| U1 (GBP) Income                            | 50,073,337                                    | 59,231,381         | 84.54                              | 6,955,356                                     | 7,836,967          | 88.75                              |
| U1 (GBP) Accumulation                      | 30,064,908                                    | 23,430,868         | 128.31                             | 45,971,099                                    | 36,281,693         | 126.71                             |
| U2 (GBP) Income**                          | –   | –                  | 89.23                              | 392   | 429                | 91.35                              |
| <b>Jupiter UK Alpha Fund</b>               | <b>446,187,421</b>                            | <b>267,723,445</b> | –                                  | <b>685,530,195</b>                            | <b>437,663,518</b> | –                                  |
| L (GBP) Income                             | 3,585,142                                     | 2,964,071          | 120.95                             | 3,860,576                                     | 3,366,330          | 114.68                             |
| L (GBP) Accumulation                       | 63,760,493                                    | 39,468,646         | 161.55                             | 67,758,598                                    | 45,747,180         | 148.12                             |
| I (GBP) Income                             | 13,863,524                                    | 10,574,219         | 131.11                             | 13,634,206                                    | 11,051,653         | 123.37                             |
| I (GBP) Accumulation                       | 102,653,322                                   | 51,144,402         | 200.71                             | 219,086,506                                   | 119,951,752        | 182.65                             |
| P (GBP) Income                             | 2,176,226                                     | 2,065,580          | 105.36                             | 2,363,794                                     | 2,378,324          | 99.39                              |
| P (GBP) Accumulation                       | 3,772,480                                     | 3,171,211          | 118.96                             | 3,575,372                                     | 3,294,551          | 108.52                             |
| U1 (GBP) Income                            | 56,695,068                                    | 44,005,273         | 128.84                             | 74,926,335                                    | 61,851,111         | 121.14                             |
| U1 (GBP) Accumulation                      | 169,032,824                                   | 94,463,999         | 178.94                             | 185,174,208                                   | 113,806,935        | 162.71                             |
| U2 (GBP) Income                            | 9,462,617                                     | 7,539,927          | 125.50                             | 11,939,958                                    | 10,126,067         | 117.91                             |
| U2 (GBP) Accumulation                      | 21,185,725                                    | 12,326,117         | 171.88                             | 103,210,642                                   | 66,089,615         | 156.17                             |

\*The Jupiter Investment Grade Bond Fund closed and merged into the Jupiter Corporate Bond Fund on 21 July 2023. Net Asset Value in pence per share represents the merger price per share class on 21 July 2023.

\*\*The U2 (GBP) Income share class was closed on 8 March 2023. Net Asset Value in pence per share represents the redemption price per share class.

## Authorised Corporate Director's report (continued)

| Net asset value of the sub-funds         |   |                    |                                    |   |                    |                                    |
|--|---|--------------------|------------------------------------|---|--------------------|------------------------------------|
|  | 31 July 2023                                  |                    |                                    | 31 July 2022                                  |                    |                                    |
|  | Net Asset Value of sub-fund per share class £ | Shares in Issue    | Net Asset Value in pence per share | Net Asset Value of sub-fund per share class £ | Shares in Issue    | Net Asset Value in pence per share |
| <b>Merian UK Equity Income Fund</b>      | <b>68,570,721</b>                             | <b>36,839,173</b>  |                                    | <b>45,709,879</b>                             | <b>25,297,404</b>  |                                    |
| L (GBP) Income                           | 551,379                                       | 61,775             | 892.56                             | 3,249,179                                     | 385,984            | 841.79                             |
| L (GBP) Accumulation                     | 5,446,406                                     | 129,348            | 4,210.67                           | 4,227,774                                     | 111,326            | 3,797.66                           |
| I (GBP) Income                           | 17,996,852                                    | 12,116,184         | 148.54                             | 12,760,801                                    | 9,177,398          | 139.05                             |
| I (GBP) Accumulation                     | 24,927,535                                    | 10,868,307         | 229.36                             | 12,319,066                                    | 5,999,852          | 205.32                             |
| P (GBP) Income                           | 4,122,751                                     | 3,105,111          | 132.77                             | 4,015,023                                     | 3,222,264          | 124.60                             |
| P (GBP) Accumulation                     | 770,366                                       | 305,713            | 251.99                             | 644,473                                       | 284,986            | 226.14                             |
| U1 (GBP) Income                          | 5,952,171                                     | 5,042,058          | 118.05                             | 2,186,856                                     | 1,980,389          | 110.43                             |
| U1 (GBP) Accumulation                    | 8,219,157                                     | 4,756,315          | 172.81                             | 6,054,122                                     | 3,916,216          | 154.59                             |
| U2 (GBP) Income                          | 424,534                                       | 363,142            | 116.91                             | 208,460                                       | 190,772            | 109.27                             |
| U2 (GBP) Accumulation                    | 159,570                                       | 91,220             | 174.93                             | 44,125  | 28,217             | 156.38                             |
| <b>Jupiter UK Mid Cap Fund</b>           | <b>701,666,548</b>                            | <b>400,308,592</b> |                                    | <b>1,650,688,728</b>                          | <b>853,696,024</b> |                                    |
| L (GBP) Income                           | 8,162,978                                     | 2,820,181          | 289.45                             | 86,686,692                                    | 26,063,810         | 332.59                             |
| L (GBP) Accumulation                     | 94,724,899                                    | 28,483,586         | 332.56                             | 250,514,192                                   | 66,092,374         | 379.04                             |
| I (GBP) Income                           | 40,850,720                                    | 23,386,659         | 174.68                             | 135,403,804                                   | 67,465,526         | 200.70                             |
| I (GBP) Accumulation                     | 281,907,969                                   | 122,300,051        | 230.51                             | 477,024,114                                   | 182,934,345        | 260.76                             |
| P (GBP) Income                           | 1,315,700                                     | 760,025            | 173.11                             | 2,112,129                                     | 1,061,817          | 198.92                             |
| P (GBP) Accumulation                     | 3,979,995                                     | 1,362,259          | 292.16                             | 7,385,280                                     | 2,228,839          | 331.35                             |
| Z1 (GBP) Income                          | 30,854,807                                    | 26,394,540         | 116.90                             | 90,236,752                                    | 67,181,857         | 134.32                             |
| Z1 (GBP) Accumulation                    | 169,100,627                                   | 131,974,762        | 128.13                             | 327,948,115                                   | 226,416,942        | 144.84                             |
| Z2 (GBP) Income                          | 55,346,845                                    | 51,080,530         | 108.35                             | 231,870,143                                   | 186,261,662        | 124.49                             |
| Z2 (GBP) Accumulation                    | 15,422,008                                    | 11,745,999         | 131.30                             | 41,507,507                                    | 27,988,852         | 148.30                             |
| <b>Jupiter UK Opportunities Fund</b>     | <b>7,221,354</b>                              | <b>6,494,151</b>   |                                    | <b>7,769,844</b>                              | <b>7,696,611</b>   |                                    |
| L (GBP) Accumulation                     | 1,159,822                                     | 1,076,513          | 107.74                             | 5,134,937                                     | 4,997,320          | 102.75                             |
| I (GBP) Accumulation                     | 5,137,482                                     | 4,400,950          | 116.74                             | 1,370,819                                     | 1,234,595          | 111.03                             |
| U1 (GBP) Accumulation                    | 924,050                                       | 1,016,688          | 90.89                              | 1,264,088                                     | 1,464,696          | 86.30                              |
| <b>Jupiter UK Smaller Companies Fund</b> | <b>490,151,662</b>                            | <b>238,870,672</b> |                                    | <b>833,173,247</b>                            | <b>340,297,712</b> |                                    |
| L (GBP) Income                           | 1,977,076                                     | 481,510            | 410.60                             | 12,437,888                                    | 2,501,753          | 497.17                             |
| L (GBP) Accumulation                     | 45,586,271                                    | 10,499,587         | 434.17                             | 149,692,435                                   | 28,782,149         | 520.09                             |
| I (GBP) Income                           | 38,709,634                                    | 18,386,371         | 210.53                             | 52,107,950                                    | 20,433,536         | 255.01                             |
| I (GBP) Accumulation                     | 231,256,725                                   | 95,973,131         | 240.96                             | 262,330,578                                   | 91,684,726         | 286.12                             |
| P (GBP) Income                           | 5,015,872                                     | 2,654,049          | 188.99                             | 7,706,057                                     | 3,366,718          | 228.89                             |
| P (GBP) Accumulation                     | 4,745,359                                     | 1,420,883          | 333.97                             | 6,729,942                                     | 1,690,689          | 398.06                             |
| U1 (GBP) Income                          | 50,122,394                                    | 34,523,393         | 145.18                             | 139,377,346                                   | 79,249,255         | 175.87                             |
| U1 (GBP) Accumulation                    | 95,900,566                                    | 62,933,121         | 152.38                             | 186,890,330                                   | 103,380,174        | 180.78                             |
| U2 (GBP) Income                          | 13,679,315                                    | 9,925,821          | 137.82                             | 8,940,038                                     | 5,354,764          | 166.95                             |
| U2 (GBP) Accumulation                    | 3,158,450                                     | 2,072,806          | 152.38                             | 6,960,683                                     | 3,853,948          | 180.61                             |

## Statement of the Authorised Corporate Director's responsibilities

The Collective Investment Schemes Sourcebook published by the FCA, ("the COLL Rules") require the Authorised Corporate Director ("ACD") to prepare financial statements for each annual and semi-annual accounting period which give a true and fair view of the financial position of the Company and of the net revenue and net gains or losses on the property of the Company for the period.

In preparing the financial statements the ACD is responsible for:

- selecting suitable accounting policies and then applying them consistently;
- making judgements and estimates that are reasonable and prudent;
- following UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland;
- complying with the disclosure requirements of the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association (now referred to as the Investment Association) in May 2014;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Company and its sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless they either intend to liquidate the Company or its sub-funds or to cease operations, or have no realistic alternative but to do so. For the reasons stated in the Report of the Authorised Corporate Director, the financial statements of Jupiter Investment Grade Bond Fund and Merian UK Equity Income Fund have been prepared on a basis other than going concern;
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- taking reasonable steps for the prevention and detection of fraud and irregularities.

The ACD is responsible for the management of the Company in accordance with its Instrument of Incorporation, the Prospectus and the COLL Rules.

The ACD is responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## Statement of Depositary’s Responsibilities in Respect of the Scheme and Report of the Depositary to the Shareholders of Jupiter Investment Management Series I for the Year Ended 31 July 2023

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority’s Collective Investment Schemes Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228), as amended, the Financial Services and Markets Act 2000, as amended, (together “the Regulations”), the Company’s Instrument of Incorporation and Prospectus (together “the Scheme documents”) as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Company and its investors.

The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Company in accordance with the Regulations.

The Depositary must ensure that:

- the Company’s cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of shares are carried out in accordance with the Regulations;
- the value of shares of the Company are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Company’s assets is remitted to the Company within the usual time limits;
- the Company’s income is applied in accordance with the Regulations; and
- the instructions of the Authorised Fund Manager (“the AFM”), are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that Company is managed in accordance with the Regulations and Scheme documents in relation to the investment and borrowing powers applicable to the Company.

Having carried out such procedures as we consider necessary to discharge our responsibilities as depositary of the Company, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Company, acting through the AFM:

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company’s shares and the application of the Company’s income in accordance with the Regulations and the Scheme documents of the Company; and
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

### Northern Trust Investor Services Limited

UK Trustee and Depositary Services  
London  
23 November 2023

## Independent Auditor's report to the Shareholders of the Jupiter Investment Management Series I ("the Company")

### Opinion

We have audited these financial statements of Jupiter Investment Management Series I ("the Company") comprising each of its sub-funds for the year ended 31 July 2023, which comprise the Statement of Total Return, the Statement of Changes in Net Assets Attributable to Shareholders, the Balance Sheet, the related notes and the Distribution Tables for each sub-fund, and the accounting and distribution policies of the Company set out on pages 234 to 236 which include a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the financial position of the Company comprising each of its sub-funds as at 31 July 2023 and of the net revenue/expense and the net capital gains/losses on the scheme property of the Company comprising each of its sub-funds for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the FRC) Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Emphasis of matter – Financial Statements prepared on a basis other than Going Concern

We draw attention to Note 1(a) of the financial statements which explains that the Authorised Corporate Director (the ACD) closed Jupiter Investment Grade Bond Fund and intends to close Merian UK Equity Income Fund (the sub-funds) and therefore, does not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements for these sub-funds.

Accordingly, the financial statements for these sub-funds have been prepared on a basis other than going concern as described in Note 1(a). Our opinion is not modified in respect of this matter.

### Conclusions relating to going concern

The Financial statements for Jupiter Investment Grade Bond Fund and Merian UK Equity Income Fund have been prepared on a basis other than going concern as disclosed in note 1(a).

In auditing the financial statements of the remaining sub-funds, we have concluded that the ACD's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the remaining sub-funds' ability to continue as a going concern for a period of 12 months from when these financial statements are authorised for issue.

Our responsibilities and the responsibilities of the ACD with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the remaining sub-funds' ability to continue as a going concern.

## Independent Auditor's report to the Shareholders of the Jupiter Investment Management Series I ("the Company") *(continued)*

### Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The ACD is responsible for the other information contained within the Annual Report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

### Opinions on other matters prescribed by the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority ("the FCA")

In our opinion:

- the financial statements have been properly prepared in accordance with the Statement of Recommended Practice relating to Authorised Funds, the rules of the Collective Investment Schemes Sourcebook of the FCA, the Instrument of Incorporation and the Prospectus; and
- there is nothing to indicate that adequate accounting records have not been kept or that the financial statements are not in agreement with those records; and
- the information given in the ACD's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matter in relation to which the Collective Investment Schemes Sourcebook of the FCA requires us to report to you if, in our opinion:

- we have not received all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit

### Responsibilities of the ACD

As explained more fully in the Statement of ACD's Responsibilities set out on page 7, the ACD is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the ACD determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the ACD is 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 ACD either intends to wind up or terminate the Company or to cease operations, or has no realistic alternative but to do so.

## Independent Auditor's report to the Shareholders of the Jupiter Investment Management Series I ("the Company") *(continued)*

### Auditor's responsibilities for the audit of the financial statements

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

### Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are United Kingdom Generally Accepted Accounting Practice (UK GAAP), Investment Management Association's Statement of Recommended Practice (IMA SORP), the FCA Collective Investment Schemes Sourcebook, the OEIC Regulations, the Company's Instrument of Incorporation and the Prospectus.
- We understood how the Company is complying with those frameworks through discussions with the ACD and the Company's administrators and a review of the Company's documented policies and procedures
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override, specifically management's propensity to influence net asset value, revenue and amounts available for distribution. We identified two fraud risks with respect to the incomplete or inaccurate income recognition through incorrect classification of special dividends and the resulting impact to amounts available for distribution, and the incorrect valuation of unlisted investments. We tested the appropriateness of management's classification of material special dividends as either a capital or revenue return. In relation to unlisted investments, we reviewed and challenged management's assessment of the data inputs and assumptions used; we agreed the data inputs to available data sources; and recalculated for arithmetical accuracy.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the ACD with respect to the application of the documented policies and procedures and review of the financial statements to test compliance with the reporting requirements of the Company.
- Due to the regulated nature of the Company, the Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities which included the use of specialists where appropriate to identify non-compliance with the applicable laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

## **Independent Auditor's report to the Shareholders of the Jupiter Investment Management Series I ("the Company")** *(continued)*

### **Use of our report**

This report is made solely to the Company's Shareholders, as a body, pursuant to Paragraph 4.5.12 of the rules of the Collective Investment Schemes Sourcebook of the FCA. Our audit work has been undertaken so that we might state to the Company's Shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's Shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

### **Ernst & Young LLP**

Statutory Auditor

Edinburgh

23 November 2023



## Jupiter Investment Grade Bond Fund

### Cumulative Performance (% change to 21 July 2023\*\*)

|  | 1 year | 3 years | 5 years | 10 years |
|--|--------|---------|---------|----------|
| Jupiter Investment Grade Bond Fund*          | (6.6)  | (17.5)  | (3.4)   | 21.5     |
| ICE BofA Sterling Non-Gilt Index (Benchmark) | (6.4)  | (17.0)  | (5.8)   | 22.1     |
| IA Sterling Corporate Bond (Sector Average)  | (4.1)  | (13.7)  | (3.3)   | 20.7     |
| Quartile Ranking                             | 4th    | 4th     | 2nd     | 2nd      |

\*Source: Morningstar, gross income reinvested net of fees, in GBP. The statistics disclosed above relate to I-Class Shares unless otherwise stated. Past performance is no guide to the future.

\*\*Last Valuation Point

### Investment Objective and Policy

Sought to achieve income and capital growth by delivering a return, net of fees, greater than that of the ICE BofA Sterling Non-Gilt Index over rolling 3 year periods.

The sub-fund primarily invested (at least 70%) in investment grade corporate debt securities.

The sub-fund may have also invested in other transferable securities (including convertible securities, government bonds and sub-investment grade debt securities), units in collective investment schemes (including those managed or operated by the ACD or an associate of the ACD), warrants, money market instruments, deposits and derivatives, and may have held cash.

The sub-fund used derivatives for investment purposes or Efficient Portfolio Management purposes. The use of derivatives for investment purposes may affect the volatility or risk profile of the sub-fund although this is not the ACD's intention.

### Investment Report

This review covers the period from 1 August 2022 to 21 July 2023.

#### Market Review

The period under review began with a renewed hawkish posture from global central banks. The Federal Open Market Committee (FOMC) reiterated the need to curb inflationary pressures on several occasions. The fixed income markets were volatile in August and September. In the UK, the gilt markets went into a tailspin towards the end of September following the government's move to borrow more to fund its fiscal expenditure. That forced the Bank of England to intervene in the market with bond purchases to ensure financial stability. The last three months of 2022 and January 2023 saw an improvement in the environment. The fall in US Consumer Price Index (CPI) based headline and core inflation, suggested a deceleration of price pressures. Despite this, central banks reiterated their hawkish narrative. The lifting of Covid-19 restrictions in China also moved markets.

The first half of the period under review saw government bond yields close the period broadly higher, with European and UK government bonds performing relatively worse vs US Treasuries. Across different geographies the front-end of the curves tended to underperform, in a broad flattening/inversion environment.

The beginning of the second half was buoyant for risk assets and lower government bond yields. However, strong macro data in February once again raised concerns about inflation. The focus shifted to financial stability in March, with the collapse of Silicon Valley Bank (SVB). Investors were worried about a contagion to US regional banks. In Europe, Credit Suisse was taken over by its rival UBS, following significant deposit outflows. The complete write-down of Credit Suisse's AT1 bonds caused a furore even as shareholders received some recovery value in the form of UBS shares. In May, the US debt ceiling issue came under the spotlight, with the threat of a possible government default. The issue was ultimately resolved as Democrats and Republicans reached a deal. Towards the end of the review period, we continued to see progress with the disinflationary process in the US and Europe. However, sticky core inflation prompted central banks to maintain their hawkish tone.

## Policy Review

At the beginning of the review period, we moved some of our off-benchmark exposure to EUR rates back into the UK. At this point, our exposure to the UK curve was essentially in line with benchmark, while our overweight to rates came from the US and more marginally from Europe.

In the first three months of the review period, we ran a barbell approach with overweight to BBBs and some off-benchmark exposure in high yield (HY), paired with some exposure to highly liquid AAA/AA credits (such exposure would be still an underweight vs the benchmark, characterized by a meaningful allocation to supranational and government guaranteed AAA debt). From a sector perspective we remained well diversified, staying overweight sectors that could either continue to thrive in an inflationary environment (energy, materials) or able to withstand a slowdown (healthcare).

In the October to December quarter, exposure to AAAs, BBBs and HY went down, while we marginally increased exposure to AAs and As. During the quarter, we decreased our exposure to TMT, energy, consumer staples, materials and healthcare, while we increased allocation to utilities and financials among others.

In the first three months of 2023, we reduced our exposure to AAAs and Bs, while exposure to AAs, As and BBBs increased. During the quarter, we continued to hold some overweight exposure to banks and building societies given the extent of repricing seen in the last weeks.

Towards the end of the review period, we reduced our exposure to industrials and consumer discretionary, adding instead to consumer staples and financials. In our cash bond portfolio, in rating terms versus the broad corporate bond market, we continue to run a barbell approach with an overweight to BBBs and small off-benchmark exposure in HY, paired with the aforementioned exposure to highly liquid AAA and AA credits. During the period, we further increased our allocation to AAs and AAAs and modestly reduced the extent of our underweight to As. Exposure to BBBs were also reduced. From a sector perspective, we kept a marginal overweight exposure to materials and real estate. We also held some overweight exposure to banks and building societies. We reduced our exposure to industrials and consumer discretionary, adding instead to consumer staples and financials.

August 2023

### Risk and Reward Profile



The calculated risk and reward category, as shown above, uses a method of calculation derived from EU rules. It is based on the rate at which the returns of the sub-fund have moved up and down in the past (i.e. volatility) and is not a guide to the future risk and reward category of the sub-fund. The category shown is not a target or guarantee and may shift over time. Even the lowest category 1 does not mean a risk-free investment. The seven-category scale is nonlinear, for example, 2 is not twice as risky as 1.

Sub-funds in category 4 have in the past shown moderate volatility. With a sub-fund of category 4, you have a moderate risk of losing money but your chance for gains is also moderate.

## Comparative Tables

| Change in net asset per share       |                 |                 |                 |                 |                 |                 |
|-------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|                                     | L (GBP) Income  |                 |                 | I (GBP) Income  |                 |                 |
|                                     | 31.07.23<br>(p) | 31.07.22<br>(p) | 31.07.21<br>(p) | 31.07.23<br>(p) | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share   | 113.94          | 134.75          | 134.04          | 109.97          | 129.42          | 128.09          |
| Return before operating charges*    | (9.95)          | (15.69)         | 5.42            | (9.58)          | (15.14)         | 5.20            |
| Operating charges                   | (1.13)          | (1.46)          | (1.55)          | (0.63)          | (0.79)          | (0.84)          |
| Return after operating charges*     | (11.08)         | (17.15)         | 3.87            | (10.21)         | (15.93)         | 4.36            |
| Distributions on income shares      | (2.92)          | (3.66)          | (3.16)          | (2.82)          | (3.52)          | (3.03)          |
| Merger price per unit**             | 99.94           | –               | –               | 96.94           | –               | –               |
| Closing net asset value per share   | –               | 113.94          | 134.75          | –               | 109.97          | 129.42          |
| *after direct transaction costs of: | –               | –               | –               | –               | –               | –               |

| Performance              |        |         |      |        |         |      |
|--------------------------|--------|---------|------|--------|---------|------|
| Return after charges (%) | (9.72) | (12.73) | 2.89 | (9.28) | (12.31) | 3.40 |

| Other Information               |      |           |           |      |            |            |
|---------------------------------|------|-----------|-----------|------|------------|------------|
| Closing net asset value (£'000) | –    | 4,090     | 10,064    | –    | 37,027     | 51,296     |
| Closing number of shares        | –    | 3,590,153 | 7,468,234 | –    | 33,668,719 | 39,636,770 |
| Operating charges (%)           | 1.15 | 1.15      | 1.15      | 0.65 | 0.65       | 0.65       |
| Direct transaction costs (%)    | –    | –         | –         | –    | –          | –          |

| Prices                  |        |        |        |        |        |        |
|-------------------------|--------|--------|--------|--------|--------|--------|
| Highest share price (p) | 115.85 | 135.74 | 138.90 | 111.82 | 130.38 | 133.00 |
| Lowest share price (p)  | 91.79  | 109.70 | 132.00 | 88.69  | 105.83 | 126.60 |

| Change in net asset per share       |                 |                 |                 |                 |                 |                 |
|-------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|                                     | P (GBP) Income  |                 |                 | U1 (GBP) Income |                 |                 |
|                                     | 31.07.23<br>(p) | 31.07.22<br>(p) | 31.07.21<br>(p) | 31.07.23<br>(p) | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share   | 115.59          | 136.23          | 135.03          | 101.10          | 118.62          | 117.04          |
| Return before operating charges*    | (10.08)         | (15.92)         | 5.48            | (8.80)          | (13.90)         | 4.76            |
| Operating charges                   | (0.81)          | (1.02)          | (1.09)          | (0.31)          | (0.39)          | (0.41)          |
| Return after operating charges*     | (10.89)         | (16.94)         | 4.39            | (9.11)          | (14.29)         | 4.35            |
| Distributions on income shares      | (2.96)          | (3.70)          | (3.19)          | (2.60)          | (3.23)          | (2.77)          |
| Merger price per unit**             | 101.74          | –               | –               | 89.39           | –               | –               |
| Closing net asset value per share   | –               | 115.59          | 136.23          | –               | 101.10          | 118.62          |
| *after direct transaction costs of: | –               | –               | –               | –               | –               | –               |

| Performance              |        |         |      |        |         |      |
|--------------------------|--------|---------|------|--------|---------|------|
| Return after charges (%) | (9.42) | (12.43) | 3.25 | (9.02) | (12.05) | 3.72 |

| Other Information               |      |           |           |      |           |           |
|---------------------------------|------|-----------|-----------|------|-----------|-----------|
| Closing net asset value (£'000) | –    | 1,317     | 1,714     | –    | 9,416     | 11,537    |
| Closing number of shares        | –    | 1,139,546 | 1,258,444 | –    | 9,313,224 | 9,726,557 |
| Operating charges (%)           | 0.80 | 0.80      | 0.80      | 0.35 | 0.35      | 0.35      |
| Direct transaction costs (%)    | –    | –         | –         | –    | –         | –         |

| Prices                  |        |        |        |        |        |        |
|-------------------------|--------|--------|--------|--------|--------|--------|
| Highest share price (p) | 117.53 | 137.24 | 140.10 | 102.80 | 119.52 | 121.70 |
| Lowest share price (p)  | 93.19  | 111.26 | 133.30 | 81.59  | 97.27  | 115.90 |

\*\*The sub-fund closed and merged into the Jupiter Corporate Bond Fund on 21 July 2023.

## Comparative Tables *(continued)*

| Change in net asset per share                |                      |                 |                 |                      |                 |                 |
|--|----------------------|-----------------|-----------------|----------------------|-----------------|-----------------|
|  | U2 (GBP) Income      |                 |                 |                      |                 |                 |
|  | 31.07.23<br>(p)      | 31.07.22<br>(p) | 31.07.21<br>(p) |                      |                 |                 |
| Opening net asset value per share            | 100.58               | 118.23          | 117.12          |                      |                 |                 |
| Return before operating charges*             | (8.76)               | (13.81)         | 4.53            |                      |                 |                 |
| Operating charges                            | (0.49)               | (0.62)          | (0.65)          |                      |                 |                 |
| Return after operating charges*              | (9.25)               | (14.43)         | 3.88            |                      |                 |                 |
| Distributions on income shares               | (2.58)               | (3.22)          | (2.77)          |                      |                 |                 |
| Merger price per unit**                      | 88.75                | –               | –               |                      |                 |                 |
| Closing net asset value per share            | –                    | 100.58          | 118.23          |                      |                 |                 |
| *after direct transaction costs of:          | –                    | –               | –               |                      |                 |                 |
| Performance                                  |                      |                 |                 |                      |                 |                 |
| Return after charges (%)                     | (9.20)               | (12.21)         | 3.31            |                      |                 |                 |
| Other Information                            |                      |                 |                 |                      |                 |                 |
| Closing net asset value (£'000)              | –                    | 258             | 565             |                      |                 |                 |
| Closing number of shares                     | –                    | 256,463         | 477,757         |                      |                 |                 |
| Operating charges (%)                        | 0.55                 | 0.55            | 0.55            |                      |                 |                 |
| Direct transaction costs (%)                 | –                    | –               | –               |                      |                 |                 |
| Prices                                       |                      |                 |                 |                      |                 |                 |
| Highest share price (p)                      | 102.27               | 119.12          | 121.40          |                      |                 |                 |
| Lowest share price (p)                       | 81.13                | 96.78           | 115.60          |                      |                 |                 |
| Change in net asset per share                |                      |                 |                 |                      |                 |                 |
|  | L (GBP) Accumulation |                 |                 | I (GBP) Accumulation |                 |                 |
|  | 31.07.23<br>(p)      | 31.07.22<br>(p) | 31.07.21<br>(p) | 31.07.23<br>(p)      | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share            | 246.57               | 283.04          | 275.02          | 136.52               | 155.93          | 150.75          |
| Return before operating charges*             | (21.54)              | (33.39)         | 11.23           | (11.93)              | (18.45)         | 6.18            |
| Operating charges                            | (2.52)               | (3.08)          | (3.21)          | (0.79)               | (0.96)          | (1.00)          |
| Return after operating charges*              | (24.06)              | (36.47)         | 8.02            | (12.72)              | (19.41)         | 5.18            |
| Distribution on accumulation share           | (6.37)               | (7.76)          | (6.55)          | (3.53)               | (4.29)          | (3.60)          |
| Retained distributions on accumulation share | 6.37                 | 7.76            | 6.55            | 3.53                 | 4.29            | 3.60            |
| Merger price per unit**                      | 222.51               | –               | –               | 123.80               | –               | –               |
| Closing net asset value per share            | –                    | 246.57          | 283.04          | –                    | 136.52          | 155.93          |
| *after direct transaction costs of:          | –                    | –               | –               | –                    | –               | –               |
| Performance                                  |                      |                 |                 |                      |                 |                 |
| Return after charges (%)                     | (9.76)               | (12.89)         | 2.92            | (9.32)               | (12.45)         | 3.44            |
| Other Information                            |                      |                 |                 |                      |                 |                 |
| Closing net asset value (£'000)              | –                    | 44,266          | 63,611          | –                    | 74,317          | 144,697         |
| Closing number of shares                     | –                    | 17,952,437      | 22,473,880      | –                    | 54,438,008      | 92,797,054      |
| Operating charges (%)                        | 1.15                 | 1.15            | 1.15            | 0.65                 | 0.65            | 0.65            |
| Direct transaction costs (%)                 | –                    | –               | –               | –                    | –               | –               |
| Prices                                       |                      |                 |                 |                      |                 |                 |
| Highest share price (p)                      | 250.70               | 285.12          | 286.60          | 138.80               | 157.09          | 157.50          |
| Lowest share price (p)                       | 198.64               | 235.36          | 274.20          | 110.09               | 130.24          | 150.60          |

\*\*The sub-fund closed and merged into the Jupiter Corporate Bond Fund on 21 July 2023.

## Comparative Tables *(continued)*

| Change in net asset per share                |                      |                 |                 |                       |                 |                 |
|--|----------------------|-----------------|-----------------|-----------------------|-----------------|-----------------|
|  | P (GBP) Accumulation |                 |                 | U1 (GBP) Accumulation |                 |                 |
|  | 31.07.23<br>(p)      | 31.07.22<br>(p) | 31.07.21<br>(p) | 31.07.23<br>(p)       | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share            | 186.29               | 213.10          | 206.35          | 126.77                | 144.36          | 139.16          |
| Return before operating charges*             | (16.27)              | (25.20)         | 8.43            | (11.07)               | (17.11)         | 5.70            |
| Operating charges                            | (1.33)               | (1.61)          | (1.68)          | (0.40)                | (0.48)          | (0.50)          |
| Return after operating charges*              | (17.60)              | (26.81)         | 6.75            | (11.47)               | (17.59)         | 5.20            |
| Distribution on accumulation share           | (4.82)               | (5.86)          | (4.92)          | (3.29)                | (3.98)          | (3.33)          |
| Retained distributions on accumulation share | 4.82                 | 5.86            | 4.92            | 3.29                  | 3.98            | 3.33            |
| Merger price per unit**                      | 168.69               | –               | –               | 115.30                | –               | –               |
| Closing net asset value per share            | –                    | 186.29          | 213.10          | –                     | 126.77          | 144.36          |
| *after direct transaction costs of:          | –                    | –               | –               | –                     | –               | –               |
| Performance                                  |                      |                 |                 |                       |                 |                 |
| Return after charges (%)                     | (9.45)               | (12.58)         | 3.27            | (9.05)                | (12.18)         | 3.74            |
| Other Information                            |                      |                 |                 |                       |                 |                 |
| Closing net asset value (£'000)              | –                    | 1,320           | 1,706           | –                     | 40,308          | 89,454          |
| Closing number of shares                     | –                    | 708,463         | 800,578         | –                     | 31,796,064      | 61,965,448      |
| Operating charges (%)                        | 0.80                 | 0.80            | 0.80            | 0.35                  | 0.35            | 0.35            |
| Direct transaction costs (%)                 | –                    | –               | –               | –                     | –               | –               |
| Prices                                       |                      |                 |                 |                       |                 |                 |
| Highest share price (p)                      | 189.41               | 214.68          | 215.40          | 128.90                | 145.45          | 145.50          |
| Lowest share price (p)                       | 150.19               | 177.76          | 206.10          | 102.29                | 120.90          | 139.00          |

\*\*The sub-fund closed and merged into the Jupiter Corporate Bond Fund on 21 July 2023.

## Portfolio Statement

As at 31 July 2023

| Holding | Investment  | Market value<br>£ | Total net assets<br>% |
|---------|---|-------------------|-----------------------|
|         | <b>CORPORATE BONDS AND FIXED INTEREST STOCKS - 0.00% (98.18%)</b> |                   |                       |
|         | Belgium - 0.00% (0.92%)   |                   |                       |
|         | France - 0.00% (3.03%)  |                   |                       |
|         | Germany - 0.00% (9.93%)   |                   |                       |
|         | Guernsey, Channel Islands - 0.00% (1.18%)                         |                   |                       |
|         | Ireland - 0.00% (18.44%)  |                   |                       |
|         | Italy - 0.00% (1.50%)   |                   |                       |
|         | Luxembourg - 0.00% (7.88%)  |                   |                       |
|         | Norway - 0.00% (0.29%)  |                   |                       |
|         | United Kingdom - 0.00% (40.84%)                                   |                   |                       |
|         | United States - 0.00% (14.17%)                                    |                   |                       |
|         | <b>DERIVATIVES - 0.00% (0.00%)</b>                                |                   |                       |
|         | Futures Contracts - 0.00% ((0.10%))                               |                   |                       |
|         | Forward Currency Contracts - 0.00% (0.10%)                        |                   |                       |
|         | Total value of investments  | -                 | -                     |
|         | Net other liabilities   | -                 | -                     |
|         | <b>Net assets</b>   | <b>-</b>          | <b>-</b>              |

The figures in brackets show allocations as at 31 July 2022.

The sub-fund closed and merged into the Jupiter Corporate Bond Fund on 21 July 2023.

## Statement of Total Return

| For the year ended 31 July 2023   |      |                  |                 |                  |                 |
|---|------|------------------|-----------------|------------------|-----------------|
|   | Note | Year to 31.07.23 |                 | Year to 31.07.22 |                 |
|   |      | £'000            | £'000           | £'000            | £'000           |
| Income  |      |                  |                 |                  |                 |
| Net capital losses  | 2    |                  | (25,234)        |                  | (42,659)        |
| Revenue   | 3    | 6,489            |                 | 8,283            |                 |
| Expenses  | 4    | (1,162)          |                 | (1,955)          |                 |
| Interest payable and similar charges  |      | (130)            |                 | (28)             |                 |
| Net revenue before taxation   |      | 5,197            |                 | 6,300            |                 |
| Taxation  | 5    | (16)             |                 | (56)             |                 |
| Net revenue after taxation  |      |                  | 5,181           |                  | 6,244           |
| <b>Total return before distributions</b>  |      |                  | <b>(20,053)</b> |                  | <b>(36,415)</b> |
| Distributions   | 6    |                  | (6,415)         |                  | (8,199)         |
| <b>Change in net assets attributable to shareholders from investment activities</b> |      |                  | <b>(26,468)</b> |                  | <b>(44,614)</b> |

## Statement of Change in Net Assets Attributable to Shareholders

| For the year ended 31 July 2023  |                  |           |                  |                |
|--|------------------|-----------|------------------|----------------|
|  | Year to 31.07.23 |           | Year to 31.07.22 |                |
|  | £'000            | £'000     | £'000            | £'000          |
| <b>Opening net assets attributable to shareholders</b>                       |                  | 212,319   |                  | 374,645        |
| Amounts receivable on issue of shares  | 10,193           |           | 38,987           |                |
| Amounts payable on cancellation of shares                                    | (58,369)         |           | (162,769)        |                |
| Amounts payable on in-specie transactions*                                   | (141,151)        |           | –                |                |
|  |                  | (189,327) |                  | (123,782)      |
| Amounts payable to manager   |                  | (21)      |                  | –              |
| Change in net assets attributable to shareholders from investment activities |                  | (26,468)  |                  | (44,614)       |
| Unclaimed distributions  |                  | 5         |                  | 15             |
| Retained distribution on accumulation shares                                 |                  | 3,492     |                  | 6,055          |
| <b>Closing net assets attributable to shareholders</b>                       |                  | <b>–</b>  |                  | <b>212,319</b> |

\*The sub-fund closed and merged into the Jupiter Corporate Bond Fund on 21 July 2023.

The notes on pages 22 to 33 form an integral part of these financial statements.



## Balance Sheet

| As at 31 July 2023                             |      |                   |                   |
|--|------|-------------------|-------------------|
|  | Note | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
| <b>Assets</b>                                  |      |                   |                   |
| Fixed Assets:                                  |      |                   |                   |
| Investments                                    |      | –                 | 208,730           |
| Current assets:                                |      |                   |                   |
| Debtors  | 7    | –                 | 3,390             |
| Cash and bank balances                         | 8    | 21                | 3,076             |
| Total assets                                   |      | 21                | 215,196           |
| <b>Liabilities</b>                             |      |                   |                   |
| Investment liabilities                         |      | –                 | (265)             |
| Creditors:                                     |      |                   |                   |
| Bank overdrafts                                | 9    | –                 | (1,259)           |
| Distributions payable                          |      | –                 | (455)             |
| Other creditors                                | 10   | (21)              | (898)             |
| Total liabilities                              |      | (21)              | (2,877)           |
| <b>Net assets attributable to shareholders</b> |      | –                 | 212,319           |

The notes on pages 22 to 33 form an integral part of these financial statements.

## Notes to the Financial Statements

### 1. Significant Accounting Policies

The summary of applicable accounting policies adopted by the Jupiter Investment Grade Bond Fund are included on pages 234 to 236.

### 2. Net Capital Losses

The net losses on investments during the year comprise:

|  | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--|-------------------|-------------------|
| Currency (losses)/gains                              | (1,077)           | 376               |
| Losses on non-derivative securities                  | (21,504)          | (41,005)          |
| Losses on forward currency contracts (see Note 13)   | (14)              | (4,012)           |
| (Losses)/gains on derivative contracts (see Note 13) | (2,639)           | 1,982             |
| <b>Net capital losses</b>                            | <b>(25,234)</b>   | <b>(42,659)</b>   |

### 3. Revenue

|                             | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|-----------------------------|-------------------|-------------------|
| Bank interest               | 111               | 2                 |
| Interest on debt securities | 6,378             | 8,281             |
| <b>Total revenue</b>        | <b>6,489</b>      | <b>8,283</b>      |

### 4. Expenses

|  | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--|-------------------|-------------------|
| <b>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</b> |                   |                   |
| Fixed Annual Charge*   | 1,162             | 112               |
| Fixed Ongoing Charge   | –                 | 1,843             |
| <b>Total expenses</b>  | <b>1,162</b>      | <b>1,955</b>      |

\*This figure represent the Fixed Annual Charge, which covers all fees payable by the sub-fund to the Authorised Corporate Director, Investment adviser, Depositary (including associates etc.) and other expenses.

The audit fee for the year, excluding VAT, was £13,250 (31.07.22: £9,550).

## Notes to the Financial Statements *(continued)*

### 5. Taxation

#### (a) Analysis of charge in the year:

|                                      | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--------------------------------------|-------------------|-------------------|
| Irrecoverable overseas tax           | 16                | 56                |
| <b>Total tax charge for the year</b> | <b>16</b>         | <b>56</b>         |

#### (b) Factors affecting total tax charge for the year:

The tax assessed for the year is lower (2022: lower) than the standard rate of Corporation Tax in the UK for an open-ended investment company. The differences are explained below:

|  | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--|-------------------|-------------------|
| Net revenue before taxation            | 5,197             | 6,300             |
| Corporation tax of 20% (2022: 20%)     | 1,039             | 1,260             |
| <b>Effects of:</b>                     |                   |                   |
| Irrecoverable overseas tax             | 16                | 56                |
| Tax deductible interest distributions  | (1,039)           | (1,260)           |
| <b>Current tax charge for the year</b> | <b>16</b>         | <b>56</b>         |

OEICs are exempt from tax on capital gains, therefore any capital return is not included in the above reconciliation.

#### (c) Provision for Deferred Tax

There is no material unrecognised Deferred Tax in the current period and prior year.

## Notes to the Financial Statements *(continued)*

### 6. Distributions

The distributions take account of amounts received on the issue of units and deducted on the cancellation of units and comprise:

|   | 31.07.23<br>£'000   | 31.07.22<br>£'000   |
|---|---------------------|---------------------|
| 1st interim distribution  | 1,681               | 2,132               |
| 2nd interim distribution  | 1,478               | 1,892               |
| 3rd interim distribution  | 1,542               | 1,976               |
| Final distribution  | –                   | 1,840               |
|   | <u>4,701</u>        | <u>7,840</u>        |
| Amounts received on issue of shares                                   | (62)                | (130)               |
| Amounts paid on cancellation of shares                                | 294                 | 489                 |
| Add: Revenue deducted on merger transactions*                         | 1,482               | –                   |
| <b>Net distributions for the year</b>                                 | <u><b>6,415</b></u> | <u><b>8,199</b></u> |
| <b>Reconciliation of net revenue after taxation to distributions:</b> |                     |                     |
| Net revenue after taxation  | 5,181               | 6,244               |
| Charges borne by capital  | 1,162               | 1,955               |
| Tax on Stock dividends  | 72                  | –                   |
| <b>Net distributions for the year</b>                                 | <u><b>6,415</b></u> | <u><b>8,199</b></u> |

\*The sub-fund closed and merged into the Jupiter Corporate Bond Fund on 21 July 2023 with no distributions made to unitholders.

Details of the distributions in pence per share are shown in the Distribution Tables on pages 34 to 41.

### 7. Debtors

|  | 31.07.23<br>£'000 | 31.07.22<br>£'000   |
|--|-------------------|---------------------|
| Accrued revenue                        | –                 | 2,885               |
| Amounts receivable for issue of shares | –                 | 505                 |
| <b>Total debtors</b>                   | <u><b>–</b></u>   | <u><b>3,390</b></u> |

### 8. Cash and Bank Balances

|                                     | 31.07.23<br>£'000 | 31.07.22<br>£'000   |
|-------------------------------------|-------------------|---------------------|
| Amounts held at brokers             | –                 | 1,439               |
| Cash and bank balances              | 21                | 1,637               |
| <b>Total cash and bank balances</b> | <u><b>21</b></u>  | <u><b>3,076</b></u> |

## Notes to the Financial Statements *(continued)*

### 9. Bank Overdrafts

|                              | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|------------------------------|-------------------|-------------------|
| Amounts due to brokers       | –                 | 1,259             |
| <b>Total bank overdrafts</b> | <b>–</b>          | <b>1,259</b>      |

### 10. Other Creditors

|  | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--|-------------------|-------------------|
| Accrued expenses                           | –                 | 28                |
| Amounts payable for cancellation of shares | –                 | 870               |
| Amounts payable to manager                 | 21                | –                 |
| <b>Total other creditors</b>               | <b>21</b>         | <b>898</b>        |

### 11. Contingent Assets, Liabilities and Capital Commitments

The sub-fund had no contingent assets, liabilities or capital commitments at the balance sheet date (31.07.22: £nil).

### 12. Related Party Transactions

Jupiter Fund Managers Limited (prior to 14 November 2022) and Jupiter Unit Trust Managers Limited thereafter, as ACD, is a related party, and acts as principal in respect of all transactions of shares in each sub-fund. The aggregate monies received on issue and paid on cancellation are disclosed in the Statement of change in net assets attributable to shareholders on page 20. Any amounts due to or from the ACD at the end of the accounting year in respect of transactions of shares in each sub-fund are disclosed in Notes 7 (Debtors) and 10 (Other Creditors).

Amounts receivable/(payable) from the ACD in respect of issues/cancellations are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. At the year end, a net balance of £nil was payable to the ACD (31.07.22: £364,431 was payable to the ACD). These amounts are included in amounts receivable for issue of shares in Note 7 and amounts payable for cancellation of shares in Note 10.

Amounts paid to the ACD in respect of fund management are disclosed in Note 4 (Expenses). At the year end, £nil (31.07.22: £27,970) was payable to the ACD. This amount is included as part of accrued expenses in Note 10.

### 13. Financial Instruments

#### Financial Instrument Risk

The sub-fund, in pursuit of its objective prior to the merger, held a number of financial instruments which may have comprised of the following:

Bonds, collective investment schemes and derivatives.

The sub-fund also held cash and other short term debtors and creditors that arose directly from its operations.

In addition, the sub-fund may have held derivatives for investment purposes and the purpose of efficient portfolio management in accordance with the COLL Sourcebook.

The financial instruments were held in line with the sub-fund's investment policy.

## Notes to the Financial Statements *(continued)*

### 13. Financial Instruments *(continued)*

The Investment Adviser is responsible for monitoring the portfolio of the sub-fund in accordance with its investment objective and seeks to ensure that individual assets also meet a risk reward profile that is acceptable. The ACD has appointed specialist managers to manage the sub-fund, and continuously monitors this appointment.

Adherence to the investment guidelines and the investment and borrowing powers as set out in the Prospectus and in the rules of the Regulations also mitigates the risk of excessive exposure to any particular type of security or issuer. Further information on the investment portfolio is set out in the Investment Adviser's review and the Portfolio statement of each sub-fund.

The main risks arising from financial instruments are market price, foreign currency, interest rate, liquidity, credit and counterparty risk which are summarised below.

#### Market Risk

Market risk arises from uncertainty about future prices of financial instruments held. The main source of risk to the sub-fund is the potential movement in the value of financial instruments held as a result of price fluctuations. Stock market prices can move erratically and be unpredictably affected by diverse factors including political and economic events but also rumours and sentiment. The ACD adheres to the investment guidelines and borrowing powers set out within the Prospectus and the COLL Sourcebook. In this way the ACD monitors and controls the exposure to risk from any type of security, sector or issuer. The sub-fund may also use derivative instruments to mitigate this risk and reduce cost.

#### Market Price Risk Sensitivity

A five percent market movement in the price of investments held by the sub-fund, with all other variables remaining constant, would result in an increase or decrease on net asset value of the sub-fund by approximately £nil (31.07.22: £10,423,260 or 4.91% of NAV).

#### Foreign Currency Risk

The sub-fund have no financial assets and liabilities invested overseas by the year end. The Investment Adviser sought to reduce some of this risk by using forward currency contracts.

The direct foreign currency exposure of the sub-fund as at 31 July were as follows:

| Currency  | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|-----------|-------------------|-------------------|
| Euro      | –                 | 2,133             |
| US Dollar | –                 | 571               |

## Notes to the Financial Statements *(continued)*

### 13. Financial Instruments *(continued)*

#### Interest Rate Risk

Interest rate risk is the risk of movements in the value of financial instruments as a result of fluctuations in interest rates. The interest rate risk profile of the sub-fund's financial assets and liabilities at the year end were as follows:

| Currency        | Floating Rate<br>financial assets<br>£'000 | Fixed Rate<br>financial assets<br>£'000 | Financial assets<br>not carrying interest<br>£'000 | Total<br>£'000 |
|-----------------|--|---|--|----------------|
| <b>31.07.23</b> |  |   |  |                |
| Sterling        | 21   | –                                       | –  | 21             |
| <b>Total</b>    | <b>21</b>                                  | <b>–</b>                                | <b>–</b>   | <b>21</b>      |

|                 |               |                |              |                |
|-----------------|---------------|----------------|--------------|----------------|
| <b>31.07.22</b> |               |                |              |                |
| Euro            | 11,174        | 32,187         | 560          | 43,921         |
| US Dollar       | 10,129        | 11,967         | 406          | 22,502         |
| Sterling        | 29,868        | 116,211        | 2,694        | 148,773        |
| <b>Total</b>    | <b>51,171</b> | <b>160,365</b> | <b>3,660</b> | <b>215,196</b> |

| Currency        | Floating Rate<br>financial liabilities<br>£'000 | Fixed Rate<br>financial liabilities<br>£'000 | Financial liabilities<br>not carrying interest<br>£'000 | Total<br>£'000 |
|-----------------|---|--|---|----------------|
| <b>31.07.23</b> |   |  |   |                |
| Sterling        | –   | –  | 21  | 21             |
| <b>Total</b>    | <b>–</b>  | <b>–</b>                                     | <b>21</b>   | <b>21</b>      |
| <b>31.07.22</b> |   |  |   |                |
| Euro            | –   | –  | 265   | 265            |
| Sterling        | 1,259   | –  | 1,353   | 2,612          |
| <b>Total</b>    | <b>1,259</b>                                    | <b>–</b>                                     | <b>1,618</b>  | <b>2,877</b>   |

The floating rate financial assets and liabilities include bank balances and overdrafts that bear interest. Interest rates on Sterling and overseas bank balances as supplied by the custodian may vary in line with market conditions and the size of deposit. Overdraft interest is calculated at the current Bank of England base rate plus 1.00%.

## Notes to the Financial Statements *(continued)*

### 13. Financial Instruments *(continued)*

#### Liquidity Risk

The sub-fund's assets comprise mainly of readily realisable securities which can be sold promptly to meet liquidity requirements. The main source of this risk comes from the obligation to shareholders to meet any cancellation of shares.

Assets from the sub-fund may need to be sold to meet any redemption proceeds. As part of its operating duties the ACD regularly monitors the liquidity levels held on the sub-fund (cash and underlying securities) to ensure any redemption can be readily met. Some investments may be less liquid than other securities and can be more sensitive to economic factors. The rules of the Regulations mitigate the risk of excessive exposure to assets which are not readily realisable.

#### Credit Risk

Credit risk is the risk of suffering loss due to another party not meeting its financial obligation. The risk is managed by the Investment Adviser who monitors the credit profile of financial instruments in accordance with the objective and policy of the sub-fund.

Adherence to the investment guidelines and the investment and borrowing powers as set out in the Prospectus and in the rules of the Regulations also mitigates the risk of excessive exposure to any particular type of security or issuer. Further information on the investment portfolio is set out in the Investment Adviser's review and the Portfolio statement.

| As at 31.07.23         |                       |                       |
|------------------------|-----------------------|-----------------------|
| Analysis of Bonds      | Market value<br>£'000 | Total net assets<br>% |
| Investment grade       | –                     | –                     |
| Below investment grade | –                     | –                     |
| Unrated                | –                     | –                     |
|                        | –                     | –                     |

| As at 31.07.22         |                       |                       |
|------------------------|-----------------------|-----------------------|
| Analysis of Bonds      | Market value<br>£'000 | Total net assets<br>% |
| Investment grade       | 183,303               | 86.34                 |
| Below investment grade | 24,531                | 11.55                 |
| Unrated                | 626                   | 0.29                  |
|                        | 208,460               | 98.18                 |

#### Counterparty Risk

Certain transactions in financial instruments that a sub-fund enters into have the risk that the counterparty will not meet its financial obligations, i.e. the investment (purchase) or cash (sale) after the sub-fund has fulfilled its responsibilities.

The sub-fund will only buy and sell investments through brokers which have been approved by the ACD and Investment Adviser as an acceptable counterparty. This is overseen by the Depositary to ensure that the exposure to any counterparty remains appropriate for investors.



## Notes to the Financial Statements *(continued)*

### 13. Financial Instruments *(continued)*

#### Use of Derivatives

The Investment Adviser made use of the following derivatives during the year under review:

#### Forward Currency Contracts

The ACD made use of forward foreign currency contracts during the year in order to hedge out some of the currency exposure in the sub-fund. This resulted in realised losses of £14,424 to the sub-fund during the year (31.07.22: realised and unrealised losses of £4,011,501). All contracts were undertaken with Canadian Imperial Bank of Commerce, Citigroup, Goldman Sachs, HSBC Bank, JPMorgan Chase, Merrill Lynch, Morgan Stanley, Northern Trust, Societe Generale, State Street and Toronto-Dominion Bank as counterparty during the year.

The underlying exposure for forward currency contracts at the balance sheet date are shown below:

| Counterparty   | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|----------------|-------------------|-------------------|
| Morgan Stanley | –                 | 195               |
| Northern Trust | –                 | 21                |
|                | <b>–</b>          | <b>216</b>        |

#### Futures Contracts

The ACD bought some stock market index futures with the aim of protecting the sub-fund from the risk of index volatility. This resulted in realised losses of £2,638,581 (31.07.22: realised and unrealised gains of £1,982,148) to the sub-fund during the year. All contracts were undertaken with Merrill Lynch as counterparty during the year.

| Counterparty  | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|---------------|-------------------|-------------------|
| Merrill Lynch | –                 | 54                |
|               | <b>–</b>          | <b>54</b>         |

In order to reduce this risk, collateral may be held by the sub-fund. The counterparties to these transactions and any collateral held by the sub-fund at the balance sheet date are shown below:

| Counterparty                       | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|------------------------------------|-------------------|-------------------|
| Canadian Imperial Bank of Commerce | –                 | 450               |
| Toronto-Dominion Bank              | –                 | (1,250)           |
|                                    | <b>–</b>          | <b>(800)</b>      |

## Notes to the Financial Statements *(continued)*

### 13. Financial Instruments *(continued)*

#### Sensitivity Analysis

The Gross Sum of Notionals (GSON) leverage figures are prepared with no hedging or netting of any asset class. Across the range of asset classes exposures are treated differently. For instance, currency forwards are treated by valuing both legs of the underlying and expressing them as a percentage of the NAV. Physical assets are excluded to get the incremental exposure resulting from derivatives. The sub-fund is limited to 400% gross leverage (2022: 400%), and this limit has not been exceeded over the year. Using the "gross sum of notionals" methodology, the average leverage for the period ended 21 July 2023 was 73.53% (31.07.22: 38.86%).

The Investment Adviser assesses the market risk of the Jupiter Investment Grade Bond Fund, including any derivative exposures, using an Relative Value at Risk ('VaR') methodology. VaR is a process that provides the Investment Adviser with an estimate of the maximum potential loss that could be expected to occur as a result of changes in market prices over a given period of time in all but a given percentage of circumstances. As the sub-fund adopts a relative VaR model to measure the sub-fund market risk, the daily VaR limit for the sub-fund is twice the VaR of the relevant benchmark which is the Markit Iboxx GBP non-Gilt. The VaR is calculated using a one-tailed 95 percent confidence level, a one month holding period and the historical period of one year (250 Business Days). Derivatives are used to efficiently manage the tactical asset allocation positioning of the sub-fund, Jupiter Investment Grade Bond Fund. The sub-fund uses relative methodology to measure Value at Risk (VaR). The VaR for the sub-fund and the benchmark as at 21 July 2023 was 5.86% and 4.64% respectively (31.07.22: 4.19% and 3.58%).

|         | 01.08.22 to<br>21.07.23* | 31.07.22 |
|---------|--------------------------|----------|
| Maximum | 7.81%                    | 5.75%    |
| Minimum | 4.10%                    | 2.79%    |
| Average | 6.09%                    | 4.03%    |

\*The sub-fund closed and merged into the Jupiter Corporate Bond Fund on 21 July 2023.

#### What is VaR?

It estimates the worst potential loss in the portfolio within a certain time period and with a certain amount of confidence, using the following criteria:

- Internal Guidelines: 20% relative VaR (95% confidence) over 20 day timeframe measured each day
- Holding period: 1 month (20 days)
- Observation period: minimum 1 year (250 days)
- 95% confidence implies a breach of 1 out of every 100 twenty day periods

#### If VaR approaches its limit the ACD may:

- Diversify the portfolio
- Reduce the gross exposure
- Hedge part of the portfolio
- Reduce exposure to positions with high marginal VaR contribution

## Notes to the Financial Statements *(continued)*

### 14. Fair Value of Financial Assets and Liabilities

There is no material difference between the carrying value of the financial assets and liabilities, as shown in the Balance sheet, and their fair value.

**The fair value of investments has been determined using the following hierarchy:**

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Level 3: Valuation techniques using unobservable inputs.

| Basis of valuation | Assets<br>£'000 | Liabilities<br>£'000 |
|--------------------|-----------------|----------------------|
| <b>31.07.23</b>    |                 |                      |
| Level 1            | –               | –                    |
| Level 2            | –               | –                    |
| Level 3            | –               | –                    |
| <b>Total</b>       | <b>–</b>        | <b>–</b>             |

| Basis of valuation | Assets<br>£'000 | Liabilities<br>£'000 |
|--------------------|-----------------|----------------------|
| <b>31.07.22</b>    |                 |                      |
| Level 1            | 13,633          | (265)                |
| Level 2            | 195,097         | –                    |
| Level 3            | –               | –                    |
| <b>Total</b>       | <b>208,730</b>  | <b>(265)</b>         |

## Notes to the Financial Statements *(continued)*

### 14. Fair Value of Financial Assets and Liabilities *(continued)*

Generally for the non-market traded and unquoted securities, where there is no price source from an active market for an investment, the ACD has applied judgement in determining the fair value. The ACD has used several valuation methodologies as prescribed in the International Private Equity and Venture Capital valuation guidelines to arrive at their best estimate of fair value. Valuation techniques used by the ACD are set out in Significant Accounting Policies (j). The fair value is established by using measures of value such as:

- **Price of recent transactions** — Management determine the fair value based on the price of recent transactions made by management or a third party.
  - **Milestone analysis** — Management assess the investment company's progress against milestones expected at the time of investment in order to determine whether an adjustment is required to the transaction price to determine fair value.
  - **Multiples** — Earnings or Revenue multiples are selected from comparable public companies based on geographic location, industry, size, risk profile, earnings growth prospects, target markets and other factors that management consider reasonable. A discount for lack of liquidity may then be applied to represent the adjustment to comparable company multiples to reflect the illiquidity of the portfolio companies relative to the comparable peer group. Management determines the discount for lack of liquidity based on its judgement, after considering market liquidity conditions and company specific factors such as the development stage of the portfolio company. Among the most common forms of multiples used for cash generating companies are EV/EBITDA and EV/Revenue multiples, generally seen to represent a good proxy for free cash flow and company performance. These are applied where appropriate based on the development of underlying portfolio companies but other inputs such as comparable company share price movements may also be considered.
  - **Net assets** — Management determine the fair value based on the net asset value of the underlying portfolio company.
- In applying the above valuation techniques in arriving at the fair value the ACD has assessed any further information available from internal and external sources to arrive at an estimated fair value, which includes but is not limited to the following:
- Reference to listed securities of the same company.
  - Consideration of seniority of the securities held and terms of repayment upon realisation.
  - Consideration of any trading restrictions on the investment company's shares that would limit ACD's ability to realise its holding.
  - Consideration of any outstanding payments to be made by ACD.
  - Industry statistics or events (such as mergers and acquisitions).

### 15. Portfolio Transaction Costs

There are no commissions, stamp duty or taxes paid in relation to the transactions on the bond portfolio for current period and prior year. Quoted in £'000, the total value of purchases for the period was £51,639 (31.07.22: £207,855) and the total value of sales was £238,680 (31.07.22: £326,603).

Commissions on derivative transactions of £nil (31.07.22: £nil). There were no taxes on derivative transactions (31.07.22: £nil).

The average portfolio dealing spread for the period from 1 August 2022 to 21 July 2023 was 0.00% (31.07.22: 0.74%).

## Notes to the Financial Statements *(continued)*

### 16. Shareholders' Funds

The net asset value of each share class, net asset value per share and the number of shares in issue are given in the comparative tables for each sub-fund.

The share classes currently in issue and the Fixed Annual Charge of each share class are shown below.

| Share Class           | 31.07.23 | 31.07.22 |
|-----------------------|----------|----------|
| L (GBP) Income        | 1.15%    | 1.15%    |
| L (GBP) Accumulation  | 1.15%    | 1.15%    |
| I (GBP) Income        | 0.65%    | 0.65%    |
| I (GBP) Accumulation  | 0.65%    | 0.65%    |
| P (GBP) Income        | 0.80%    | 0.80%    |
| P (GBP) Accumulation  | 0.80%    | 0.80%    |
| U1 (GBP) Income       | 0.35%    | 0.35%    |
| U1 (GBP) Accumulation | 0.35%    | 0.35%    |
| U2 (GBP) Income       | 0.55%    | 0.55%    |

| Reconciliation of Shares                   | L (GBP)<br>Income | L (GBP)<br>Accumulation | I (GBP)<br>Income |
|--|-------------------|-------------------------|-------------------|
| Opening number of shares at 1 August 2022  | 3,590,153         | 17,952,437              | 33,668,719        |
| Shares issued in year                      | 25,680            | 441,337                 | 1,923,724         |
| Shares cancelled in year                   | (456,600)         | (3,401,019)             | (7,098,592)       |
| Shares cancelled on in-specie transactions | (547,897)         | (12,936,619)            | (31,171,955)      |
| Shares converted in year                   | (2,611,336)       | (2,056,136)             | 2,678,104         |
| Closing number of shares at 31 July 2023   | –                 | –                       | –                 |

| Reconciliation of Shares                   | I (GBP)<br>Accumulation | P (GBP)<br>Income | P (GBP)<br>Accumulation |
|--|-------------------------|-------------------|-------------------------|
| Opening number of shares at 1 August 2022  | 54,438,008              | 1,139,546         | 708,463                 |
| Shares issued in year                      | 4,106,486               | –                 | 657                     |
| Shares cancelled in year                   | (16,084,844)            | (111,322)         | (118,898)               |
| Shares cancelled on in-specie transactions | (46,105,345)            | (1,023,014)       | (535,084)               |
| Shares converted in year                   | 3,645,695               | (5,210)           | (55,138)                |
| Closing number of shares at 31 July 2023   | –                       | –                 | –                       |

| Reconciliation of Shares                   | U1 (GBP)<br>Income | U1 (GBP)<br>Accumulation | U2 (GBP)<br>Income |
|--|--------------------|--------------------------|--------------------|
| Opening number of shares at 1 August 2022  | 9,313,224          | 31,796,064               | 256,463            |
| Shares issued in year                      | 951,005            | 1,178,433                | 1,648              |
| Shares cancelled in year                   | (6,420,514)        | (15,340,988)             | (138,854)          |
| Shares cancelled on in-specie transactions | (3,866,858)        | (17,777,016)             | (119,256)          |
| Shares converted in year                   | 23,143             | 143,507                  | (1)                |
| Closing number of shares at 31 July 2023   | –                  | –                        | –                  |

## Distribution Tables

### For the quarter ended 31 October 2022

#### FIRST INTERIM

Group 1: Shares purchased prior to 1 August 2022

Group 2: Shares purchased on or after 1 August 2022 to 31 October 2022

|                       | Revenue         | Equalisation    | Distribution paid<br>30.12.22 | Distribution paid<br>31.12.21 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| L (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 0.9889          | –               | 0.9889                        | 0.8503                        |
| Group 2               | 0.4501          | 0.5388          | 0.9889                        | 0.8503                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>30.12.22 | Distribution accumulated<br>31.12.21 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| L (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 2.1400          | –               | 2.1400                               | 1.7856                               |
| Group 2                     | 0.3266          | 1.8134          | 2.1400                               | 1.7856                               |

|                       | Revenue         | Equalisation    | Distribution paid<br>30.12.22 | Distribution paid<br>31.12.21 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| I (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 0.9551          | –               | 0.9551                        | 0.8171                        |
| Group 2               | 0.3723          | 0.5828          | 0.9551                        | 0.8171                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>30.12.22 | Distribution accumulated<br>31.12.21 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| I (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 1.1857          | –               | 1.1857                               | 0.9841                               |
| Group 2                     | 0.4672          | 0.7185          | 1.1857                               | 0.9841                               |

|                       | Revenue         | Equalisation    | Distribution paid<br>30.12.22 | Distribution paid<br>31.12.21 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| P (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 1.0038          | –               | 1.0038                        | 0.8605                        |
| Group 2               | 0.3147          | 0.6891          | 1.0038                        | 0.8605                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>30.12.22 | Distribution accumulated<br>31.12.21 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| P (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 1.6176          | –               | 1.6176                               | 1.3453                               |
| Group 2                     | 0.7324          | 0.8852          | 1.6176                               | 1.3453                               |

## Distribution Tables *(continued)*

### For the quarter ended 31 October 2022

#### FIRST INTERIM

Group 1: Shares purchased prior to 1 August 2022

Group 2: Shares purchased on or after 1 August 2022 to 31 October 2022

|                        | Revenue         | Equalisation    | Distribution paid<br>30.12.22 | Distribution paid<br>31.12.21 |
|------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| U1 (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                | 0.8784          | –               | 0.8784                        | 0.7494                        |
| Group 2                | 0.3970          | 0.4814          | 0.8784                        | 0.7494                        |

|                              | Revenue         | Equalisation    | Distribution accumulated<br>30.12.22 | Distribution accumulated<br>31.12.21 |
|------------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| U1 (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                      | 1.1014          | –               | 1.1014                               | 0.9116                               |
| Group 2                      | 0.5295          | 0.5719          | 1.1014                               | 0.9116                               |

|                        | Revenue         | Equalisation    | Distribution paid<br>30.12.22 | Distribution paid<br>31.12.21 |
|------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| U2 (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                | 0.8736          | –               | 0.8736                        | 0.7472                        |
| Group 2                | 0.3442          | 0.5294          | 0.8736                        | 0.7472                        |

## Distribution Tables *(continued)*

For the quarter ended 31 January 2023

### SECOND INTERIM

Group 1: Shares purchased prior to 1 November 2022

Group 2: Shares purchased on or after 1 November 2022 to 31 January 2023

|                       | Revenue         | Equalisation    | Distribution paid<br>31.03.23 | Distribution paid<br>31.03.22 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| L (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 0.9240          | –               | 0.9240                        | 0.8515                        |
| Group 2               | 0.2723          | 0.6517          | 0.9240                        | 0.8515                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>31.03.23 | Distribution accumulated<br>31.03.22 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| L (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 2.0193          | –               | 2.0193                               | 1.8003                               |
| Group 2                     | 1.0336          | 0.9857          | 2.0193                               | 1.8003                               |

|                       | Revenue         | Equalisation    | Distribution paid<br>31.03.23 | Distribution paid<br>31.03.22 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| I (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 0.8935          | –               | 0.8935                        | 0.8194                        |
| Group 2               | 0.2813          | 0.6122          | 0.8935                        | 0.8194                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>31.03.23 | Distribution accumulated<br>31.03.22 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| I (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 1.1201          | –               | 1.1201                               | 0.9936                               |
| Group 2                     | 0.6487          | 0.4714          | 1.1201                               | 0.9936                               |

|                       | Revenue         | Equalisation    | Distribution paid<br>31.03.23 | Distribution paid<br>31.03.22 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| P (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 0.9385          | –               | 0.9385                        | 0.8620                        |
| Group 2               | 0.9385          | –               | 0.9385                        | 0.8620                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>31.03.23 | Distribution accumulated<br>31.03.22 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| P (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 1.5277          | –               | 1.5277                               | 1.3572                               |
| Group 2                     | 0.7415          | 0.7862          | 1.5277                               | 1.3572                               |



## Distribution Tables *(continued)*

For the quarter ended 31 January 2023

### SECOND INTERIM

Group 1: Shares purchased prior to 1 November 2022

Group 2: Shares purchased on or after 1 November 2022 to 31 January 2023

|                        | Revenue            | Equalisation       | Distribution paid<br>31.03.23 | Distribution paid<br>31.03.22 |
|------------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| U1 (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1                | 0.8223             | –                  | 0.8223                        | 0.7519                        |
| Group 2                | 0.4275             | 0.3948             | 0.8223                        | 0.7519                        |

|                              | Revenue            | Equalisation       | Distribution accumulated<br>31.03.23 | Distribution accumulated<br>31.03.22 |
|------------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| U1 (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                      | 1.0413             | –                  | 1.0413                               | 0.9210                               |
| Group 2                      | 0.5285             | 0.5128             | 1.0413                               | 0.9210                               |

|                        | Revenue            | Equalisation       | Distribution accumulated<br>31.03.23 | Distribution accumulated<br>31.03.22 |
|------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| U2 (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                | 0.8174             | –                  | 0.8174                               | 0.7489                               |
| Group 2                | 0.1796             | 0.6378             | 0.8174                               | 0.7489                               |

## Distribution Tables *(continued)*

For the quarter ended 30 April 2023

### THIRD INTERIM

Group 1: Shares purchased prior to 1 February 2023

Group 2: Shares purchased on or after 1 February 2023 to 30 April 2023

|                       | Revenue         | Equalisation    | Distribution paid<br>30.06.23 | Distribution paid<br>30.06.22 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| L (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 1.0035          | –               | 1.0035                        | 0.9607                        |
| Group 2               | 0.2394          | 0.7641          | 1.0035                        | 0.9607                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>30.06.23 | Distribution accumulated<br>30.06.22 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| L (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 2.2128          | –               | 2.2128                               | 2.0446                               |
| Group 2                     | 1.6309          | 0.5819          | 2.2128                               | 2.0446                               |

|                       | Revenue         | Equalisation    | Distribution paid<br>30.06.23 | Distribution paid<br>30.06.22 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| I (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 0.9718          | –               | 0.9718                        | 0.9256                        |
| Group 2               | 0.4945          | 0.4773          | 0.9718                        | 0.9256                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>30.06.23 | Distribution accumulated<br>30.06.22 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| I (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 1.2288          | –               | 1.2288                               | 1.1299                               |
| Group 2                     | 0.2832          | 0.9456          | 1.2288                               | 1.1299                               |

|                       | Revenue         | Equalisation    | Distribution paid<br>30.06.23 | Distribution paid<br>30.06.22 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| P (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 1.0205          | –               | 1.0205                        | 0.9734                        |
| Group 2               | 1.0205          | –               | 1.0205                        | 0.9734                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>30.06.23 | Distribution accumulated<br>30.06.22 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| P (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 1.6757          | –               | 1.6757                               | 1.5428                               |
| Group 2                     | 0.8605          | 0.8152          | 1.6757                               | 1.5428                               |

## Distribution Tables *(continued)*

For the quarter ended 30 April 2023

### THIRD INTERIM

Group 1: Shares purchased prior to 1 February 2023

Group 2: Shares purchased on or after 1 February 2023 to 30 April 2023

|                        | Revenue            | Equalisation       | Distribution paid<br>30.06.23 | Distribution paid<br>30.06.22 |
|------------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| U1 (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1                | 0.8950             | –                  | 0.8950                        | 0.8500                        |
| Group 2                | 0.6008             | 0.2942             | 0.8950                        | 0.8500                        |

|                              | Revenue            | Equalisation       | Distribution accumulated<br>30.06.23 | Distribution accumulated<br>30.06.22 |
|------------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| U1 (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                      | 1.1432             | –                  | 1.1432                               | 1.0481                               |
| Group 2                      | 0.2724             | 0.8708             | 1.1432                               | 1.0481                               |

|                        | Revenue            | Equalisation       | Distribution paid<br>30.06.23 | Distribution paid<br>30.06.22 |
|------------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| U2 (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1                | 0.8886             | –                  | 0.8886                        | 0.8462                        |
| Group 2                | 0.2612             | 0.6274             | 0.8886                        | 0.8462                        |

## Distribution Tables *(continued)*

For the period from 1 May 2023 to 21 July 2023\*

### FINAL

Group 1: Shares purchased prior to 1 May 2023

Group 2: Shares purchased on or after 1 May 2023 to 21 July 2023

|                       | Revenue            | Equalisation       | Distribution paid<br>29.09.23 | Distribution paid<br>30.09.22 |
|-----------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| L (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1               | –                  | –                  | –                             | 0.9945                        |
| Group 2               | –                  | –                  | –                             | 0.9945                        |

|                             | Revenue            | Equalisation       | Distribution accumulated<br>29.09.23 | Distribution accumulated<br>30.09.22 |
|-----------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| L (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                     | –                  | –                  | –                                    | 2.1336                               |
| Group 2                     | –                  | –                  | –                                    | 2.1336                               |

|                       | Revenue            | Equalisation       | Distribution paid<br>29.09.23 | Distribution paid<br>30.09.22 |
|-----------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| I (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1               | –                  | –                  | –                             | 0.9593                        |
| Group 2               | –                  | –                  | –                             | 0.9593                        |

|                             | Revenue            | Equalisation       | Distribution accumulated<br>29.09.23 | Distribution accumulated<br>30.09.22 |
|-----------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| I (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                     | –                  | –                  | –                                    | 1.1805                               |
| Group 2                     | –                  | –                  | –                                    | 1.1805                               |

|                       | Revenue            | Equalisation       | Distribution paid<br>29.09.23 | Distribution paid<br>30.09.22 |
|-----------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| P (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1               | –                  | –                  | –                             | 1.0084                        |
| Group 2               | –                  | –                  | –                             | 1.0084                        |

|                             | Revenue            | Equalisation       | Distribution accumulated<br>29.09.23 | Distribution accumulated<br>30.09.22 |
|-----------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| P (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                     | –                  | –                  | –                                    | 1.6112                               |
| Group 2                     | –                  | –                  | –                                    | 1.6112                               |

\*The sub-fund closed and merged into the Jupiter Corporate Bond Fund on 21 July 2023.

## Distribution Tables *(continued)*

For the period from 1 May 2023 to 21 July 2023\*

### FINAL

Group 1: Shares purchased prior to 1 May 2023

Group 2: Shares purchased on or after 1 May 2023 to 21 July 2023

|                        | Revenue            | Equalisation       | Distribution paid<br>29.09.23 | Distribution paid<br>30.09.22 |
|------------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| U1 (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1                | –                  | –                  | –                             | 0.8816                        |
| Group 2                | –                  | –                  | –                             | 0.8816                        |

|                              | Revenue            | Equalisation       | Distribution accumulated<br>29.09.23 | Distribution accumulated<br>30.09.22 |
|------------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| U1 (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                      | –                  | –                  | –                                    | 1.0958                               |
| Group 2                      | –                  | –                  | –                                    | 1.0958                               |

|                        | Revenue            | Equalisation       | Distribution paid<br>29.09.23 | Distribution paid<br>30.09.22 |
|------------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| U2 (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1                | –                  | –                  | –                             | 0.8772                        |
| Group 2                | –                  | –                  | –                             | 0.8772                        |

\*The sub-fund closed and merged into the Jupiter Corporate Bond Fund on 21 July 2023.

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of revenue included in the purchase price of all Group 2 shares and is refunded to holders of these shares as a return of capital. Being capital, it is not liable to Income Tax but must be deducted from the cost of shares for Capital Gains Tax purposes.

## Jupiter Monthly Income Bond Fund

### Cumulative Performance (% change to 31 July 2023)

|  | 1 year | 3 years | 5 years | 10 years |
|--|--------|---------|---------|----------|
| Jupiter Monthly Income Bond Fund*  | 1.1    | 4.3     | 22.2    | 44.5     |
| 50% ICE BofA 1-5yr BBB Sterling Corporate Index,<br>50% ICE BofA Sterling High Yield Index (Benchmark) | 2.1    | 0.9     | 7.4     | 38.7     |
| IA Sterling Strategic Bond (Sector Average)  | (1.6)  | (5.5)   | 3.6     | 27.5     |
| Quartile Ranking   | 2nd    | 1st     | 1st     | 1st      |

\*Source: Morningstar, gross income reinvested net of fees, in GBP. The statistics disclosed above relate to I-Class Shares unless otherwise stated. Past performance is no guide to the future.

### Investment Objective and Policy

To seek to achieve income and capital growth by delivering a return, net of fees, greater than that of the Target Benchmark over rolling 3 year periods. The Target Benchmark consists 50% of the ICE BofA 1-5Y BBB Sterling Corporate Index and 50% of the ICE BofA Sterling High Yield Index.

The sub-fund primarily invests (at least 70%) in a diversified portfolio of fixed, variable and zero rate debt securities, including corporate and government bonds. There are no specific restrictions as to the economic sectors or geographic areas that the sub-fund may invest in.

The sub-fund may also invest in other transferable securities (including convertible securities), units in collective investment schemes (including those managed or operated by the ACD or an associate of the ACD), warrants, money market instruments, deposits and derivatives, and may hold cash.

The sub-fund may use derivatives for investment purposes or Efficient Portfolio Management purposes. The use of derivatives for investment purposes may affect the volatility or risk profile of the sub-fund although this is not the ACD's intention.

### Market Review

The year under review began with a renewed hawkish posture from global central banks. The Federal Open Market Committee (FOMC) reiterated the need to curb inflationary pressures on several occasions. The fixed income markets were volatile in August and September. In the UK, the gilt markets went into a tailspin towards the end of September following the government's move to borrow more to fund its fiscal expenditure. That forced the Bank of England to intervene in the market with bond purchases to ensure financial stability. The last three months of 2022 and January 2023 saw an improvement in the environment. The fall in US Consumer Price Index (CPI) based headline and core inflation, suggested a deceleration of price pressures. Despite this, central banks reiterated their hawkish narrative. The lifting of Covid restrictions in China also moved markets.

The first half of the period under review saw government bond yields close the period broadly higher, with European and UK government bonds performing relatively worse vs US Treasuries. Across different geographies the front-end of the curves tended to underperform, in a broad flattening/inversion environment.

The beginning of the second half was buoyant for risk assets and lower government bond yields. However, strong macro data in February once again raised concerns about inflation. The focus shifted to financial stability in March, with the collapse of Silicon Valley Bank (SVB). Investors were worried about a contagion to US regional banks. In Europe, Credit Suisse was taken over by its rival UBS, following significant deposit outflows. The complete write-down of Credit Suisse's AT1 bonds caused a furore even as shareholders received some recovery value in the form of UBS shares. In May, the US debt ceiling issue came under the spotlight, with the threat of a possible government default. The issue was ultimately resolved as Democrats and Republicans reached a deal. Towards the end of the review period, we continued to see progress with the disinflationary process in the US and Europe. However, sticky core inflation prompted central banks to maintain their hawkish tone.

## Policy Review

In the last quarters of 2022, we gradually increased our duration exposure, given the potential for a sizeable slowdown in the global (and UK) economy. We added duration at the highest quality ends of both the investment grade and high yield markets in defensive sectors and companies. As credit markets recovered in the fourth quarter of 2022, we hedged some of our exposure to credit risk (via CDX). In the first half of the year under review, our overall high yield allocation remained broadly stable, while our investment grade allocation increased.

Given the events of March and the potential for lower growth and higher volatility, we decided to reduce our credit risk. We carry a relatively sizeable underweight to the investment grade segment versus the benchmark. However, this is more than compensated for by our sovereign positions in the UK and the US. We are overweight duration in the investment grade segment of the portfolio and underweight duration in high yield segment. This is due to our core of short duration bonds in high yield which gives us less spread sensitivity and higher visibility on company prospects. From a sector perspective, we hold a diversified exposure. Our focus is on building a recession-resilient portfolio while maximizing carry opportunities in shorter dated bonds. Defensive sectors are particularly favoured if buying longer dated paper.

## Investment Outlook

While many data points continue to show a deterioration in demand, pointing to a more recessionary outlook, labour conditions have remained strong. Job vacancies remain high and consequently wage growth remains elevated, which is providing a degree of insulation from the impact of higher borrowing costs. In the US, the decline in CPI has boosted earnings in real terms. While we continue to believe the macro environment will eventually weaken, as the delayed impact of aggressive interest rate hikes continues to filter through to economies, high levels of wage growth may prolong the economic "sweet spot" (with falling inflation actually stimulating demand) that was seen in first half of the year.

We have maintained a cautious positioning in our portfolio in terms of credit selection and asset allocation as default rates may rise as demand weakens. Even so, the broad strategy is unchanged: our portfolio is centred on a core of high yielding, shorter duration bonds. In the current market environment, these bonds offer outstanding levels of carry, with low volatility. Investing over a shorter time horizon also allows us to predict more accurately the evolution of the issuer's credit profile. Layered onto this core, we also hold some longer duration high quality bonds that will outperform in a recessionary scenario. These positions are concentrated in higher rated credit. As a result, we are overweight duration within our investment grade portfolio. We have also added some longer dated bonds within high yield in non-cyclical, resilient sectors such as TMT and pharmaceuticals.

Overall, our positioning remains conservative and our high yield exposure is underweight risk, when measured on a duration x spread basis, as a result of a significant underweight in duration versus the benchmark.

August 2023

## Risk and Reward Profile



The calculated risk and reward category, as shown above, uses a method of calculation derived from EU rules. It is based on the rate at which the returns of the sub-fund have moved up and down in the past (i.e. volatility) and is not a guide to the future risk and reward category of the sub-fund. The category shown is not a target or guarantee and may shift over time. Even the lowest category 1 does not mean a risk-free investment. The seven-category scale is nonlinear, for example, 2 is not twice as risky as 1.

Sub-funds in category 4 have in the past shown moderate volatility. With a sub-fund of category 4, you have a moderate risk of losing money but your chance for gains is also moderate.



## Comparative Tables

| Change in net asset per share       |                 |                 |                 |                 |                 |                 |
|-------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|                                     | L (GBP) Income  |                 |                 | I (GBP) Income  |                 |                 |
|                                     | 31.07.23<br>(p) | 31.07.22<br>(p) | 31.07.21<br>(p) | 31.07.23<br>(p) | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share   | 37.36           | 41.89           | 39.90           | 99.75           | 111.30          | 105.47          |
| Return before operating charges*    | 0.55            | (2.19)          | 4.28            | 1.49            | (5.83)          | 11.34           |
| Operating charges                   | (0.41)          | (0.45)          | (0.48)          | (0.63)          | (0.69)          | (0.71)          |
| Return after operating charges*     | 0.14            | (2.64)          | 3.80            | 0.86            | (6.52)          | 10.63           |
| Distributions on income shares      | (2.20)          | (1.89)          | (1.81)          | (5.88)          | (5.03)          | (4.80)          |
| Closing net asset value per share   | 35.30           | 37.36           | 41.89           | 94.73           | 99.75           | 111.30          |
| *after direct transaction costs of: | -               | -               | -               | -               | -               | -               |
| Performance                         |                 |                 |                 |                 |                 |                 |
| Return after charges (%)            | 0.37            | (6.30)          | 9.52            | 0.86            | (5.86)          | 10.08           |
| Other Information                   |                 |                 |                 |                 |                 |                 |
| Closing net asset value (£'000)     | 5,704           | 5,665           | 755             | 40,740          | 19,682          | 10,480          |
| Closing number of shares            | 16,158,068      | 15,162,752      | 1,801,873       | 43,004,906      | 19,729,930      | 9,415,760       |
| Operating charges (%)               | 1.15            | 1.15            | 1.15            | 0.65            | 0.65            | 0.65            |
| Direct transaction costs (%)        | -               | -               | -               | -               | -               | -               |
| Prices                              |                 |                 |                 |                 |                 |                 |
| Highest share price (p)             | 37.82           | 43.23           | 42.20           | 101.02          | 112.27          | 112.10          |
| Lowest share price (p)              | 34.63           | 36.78           | 40.11           | 92.55           | 98.17           | 106.00          |

| Change in net asset per share       |                 |                 |                 |                 |                 |                 |
|-------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|                                     | P (GBP) Income  |                 |                 | U1 (GBP) Income |                 |                 |
|                                     | 31.07.23<br>(p) | 31.07.22<br>(p) | 31.07.21<br>(p) | 31.07.23<br>(p) | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share   | 93.09           | 104.02          | 98.72           | 88.75           | 98.73           | 93.28           |
| Return before operating charges*    | 1.38            | (5.43)          | 10.61           | 1.33            | (5.18)          | 10.04           |
| Operating charges                   | (0.72)          | (0.80)          | (0.82)          | (0.30)          | (0.33)          | (0.34)          |
| Return after operating charges*     | 0.66            | (6.23)          | 9.79            | 1.03            | (5.51)          | 9.70            |
| Distributions on income shares      | (5.48)          | (4.70)          | (4.49)          | (5.24)          | (4.47)          | (4.25)          |
| Closing net asset value per share   | 88.27           | 93.09           | 104.02          | 84.54           | 88.75           | 98.73           |
| *after direct transaction costs of: | -               | -               | -               | -               | -               | -               |
| Performance                         |                 |                 |                 |                 |                 |                 |
| Return after charges (%)            | 0.71            | (5.99)          | 9.92            | 1.16            | (5.58)          | 10.40           |
| Other Information                   |                 |                 |                 |                 |                 |                 |
| Closing net asset value (£'000)     | 261             | 303             | 302             | 50,073          | 6,955           | 3,873           |
| Closing number of shares            | 295,895         | 325,362         | 290,595         | 59,231,381      | 7,836,967       | 3,923,267       |
| Operating charges (%)               | 0.80            | 0.80            | 0.80            | 0.35            | 0.35            | 0.35            |
| Direct transaction costs (%)        | -               | -               | -               | -               | -               | -               |
| Prices                              |                 |                 |                 |                 |                 |                 |
| Highest share price (p)             | 94.26           | 104.90          | 104.80          | 89.89           | 99.63           | 99.40           |
| Lowest share price (p)              | 86.34           | 91.62           | 99.19           | 82.40           | 87.33           | 93.73           |

## Comparative Tables *(continued)*

| Change in net asset per share        |                  |                 |                 |
|--------------------------------------|------------------|-----------------|-----------------|
|                                      | U2 (GBP) Income* |                 |                 |
|                                      | 31.07.23<br>(p)  | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share    | 91.35            | 102.10          | 96.79           |
| Return before operating charges*     | 0.95             | (5.40)          | 10.37           |
| Operating charges                    | (0.14)           | (0.66)          | (0.65)          |
| Return after operating charges*      | 0.81             | (6.06)          | 9.72            |
| Distributions on income shares       | (2.93)           | (4.69)          | (4.41)          |
| Redemption net asset value per share | 89.23            | –               | –               |
| Closing net asset value per share    | –                | 91.35           | 102.10          |
| *after direct transaction costs of:  | –                | –               | –               |
| Performance                          |                  |                 |                 |
| Return after charges (%)             | 0.89             | (5.94)          | 10.04           |
| Other Information                    |                  |                 |                 |
| Closing net asset value (£'000)      | –                | –               | 8               |
| Closing number of shares             | –                | 429             | 7,413           |
| Operating charges (%)                | 0.65             | 0.65            | 0.65            |
| Performance fees (%)                 | –                | –               | –               |
| Direct transaction costs (%)         | –                | –               | –               |
| Prices                               |                  |                 |                 |
| Highest share price (p)              | 92.51            | 102.98          | 102.80          |
| Lowest share price (p)               | 84.73            | 89.94           | 97.26           |

| Change in net asset per share                |                      |                 |                 |                      |                 |                 |
|--|----------------------|-----------------|-----------------|----------------------|-----------------|-----------------|
|  | L (GBP) Accumulation |                 |                 | I (GBP) Accumulation |                 |                 |
|  | 31.07.23<br>(p)      | 31.07.22<br>(p) | 31.07.21<br>(p) | 31.07.23<br>(p)      | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share            | 85.64                | 91.60           | 83.49           | 138.54               | 147.46          | 133.75          |
| Return before operating charges*             | 1.37                 | (4.93)          | 9.13            | 2.23                 | (7.99)          | 14.63           |
| Operating charges                            | (0.98)               | (1.03)          | (1.02)          | (0.89)               | (0.93)          | (0.92)          |
| Return after operating charges*              | 0.39                 | (5.96)          | 8.11            | 1.34                 | (8.92)          | 13.71           |
| Distribution on accumulation share           | (5.18)               | (4.22)          | (3.87)          | (8.40)               | (6.81)          | (6.21)          |
| Retained distributions on accumulation share | 5.18                 | 4.22            | 3.87            | 8.40                 | 6.81            | 6.21            |
| Closing net asset value per share            | 86.03                | 85.64           | 91.60           | 139.88               | 138.54          | 147.46          |
| *after direct transaction costs of:          | –                    | –               | –               | –                    | –               | –               |
| Performance                                  |                      |                 |                 |                      |                 |                 |
| Return after charges (%)                     | 0.46                 | (6.51)          | 9.71            | 0.97                 | (6.05)          | 10.25           |
| Other Information                            |                      |                 |                 |                      |                 |                 |
| Closing net asset value (£'000)              | 6,429                | 6,703           | 5,326           | 60,259               | 52,438          | 14,427          |
| Closing number of shares                     | 7,473,228            | 7,827,585       | 5,815,107       | 43,079,478           | 37,849,854      | 9,783,832       |
| Operating charges (%)                        | 1.15                 | 1.15            | 1.15            | 0.65                 | 0.65            | 0.65            |
| Direct transaction costs (%)                 | –                    | –               | –               | –                    | –               | –               |
| Prices                                       |                      |                 |                 |                      |                 |                 |
| Highest share price (p)                      | 87.77                | 92.69           | 91.87           | 142.36               | 149.31          | 147.90          |
| Lowest share price (p)                       | 80.10                | 83.96           | 83.90           | 129.72               | 135.79          | 134.50          |

\*The U2 (GBP) Income share class was closed on 8 March 2023.

## Comparative Tables *(continued)*

| Change in net asset per share                |                      |                 |                 |                       |                 |                 |
|--|----------------------|-----------------|-----------------|-----------------------|-----------------|-----------------|
|  | P (GBP) Accumulation |                 |                 | U1 (GBP) Accumulation |                 |                 |
|  | 31.07.23<br>(p)      | 31.07.22<br>(p) | 31.07.21<br>(p) | 31.07.23<br>(p)       | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share            | 161.29               | 171.91          | 156.17          | 126.71                | 134.45          | 121.60          |
| Return before operating charges*             | 2.58                 | (9.32)          | 17.07           | 2.04                  | (7.28)          | 13.30           |
| Operating charges                            | (1.27)               | (1.30)          | (1.33)          | (0.44)                | (0.46)          | (0.45)          |
| Return after operating charges*              | 1.31                 | (10.62)         | 15.74           | 1.60                  | (7.74)          | 12.85           |
| Distribution on accumulation share           | (9.78)               | (7.93)          | (7.25)          | (7.70)                | (6.22)          | (5.66)          |
| Retained distributions on accumulation share | 9.78                 | 7.93            | 7.25            | 7.70                  | 6.22            | 5.66            |
| Closing net asset value per share            | 162.60               | 161.29          | 171.91          | 128.31                | 126.71          | 134.45          |
| *after direct transaction costs of:          | –                    | –               | –               | –                     | –               | –               |
| Performance                                  |                      |                 |                 |                       |                 |                 |
| Return after charges (%)                     | 0.81                 | (6.18)          | 10.08           | 1.26                  | (5.76)          | 10.57           |
| Other Information                            |                      |                 |                 |                       |                 |                 |
| Closing net asset value (£'000)              | 124                  | 687             | 51              | 30,065                | 45,971          | 11,614          |
| Closing number of shares                     | 76,452               | 425,739         | 29,664          | 23,430,868            | 36,281,693      | 8,637,878       |
| Operating charges (%)                        | 0.80                 | 0.80            | 0.80            | 0.35                  | 0.35            | 0.35            |
| Direct transaction costs (%)                 | –                    | –               | –               | –                     | –               | –               |
| Prices                                       |                      |                 |                 |                       |                 |                 |
| Highest share price (p)                      | 165.61               | 174.06          | 172.40          | 130.40                | 136.20          | 134.80          |
| Lowest share price (p)                       | 150.98               | 158.10          | 156.90          | 118.72                | 124.16          | 122.20          |

## Portfolio Statement

As at 31 July 2023

| Holding  | Investment  | Market value<br>£ | Total net assets<br>% |
|--|---|-------------------|-----------------------|
| <b>CORPORATE BONDS AND FIXED INTEREST STOCKS - 96.87% (92.01%)</b> |   |                   |                       |
| <b>Australia - 0.54% (0.00%)</b>                                   |   |                   |                       |
| \$1,386,000  | Northern Star Resources 6.125% 11/04/2033           | 1,048,770         | 0.54                  |
| <b>Bermuda - 0.77% (0.00%)</b>                                     |   |                   |                       |
| \$2,000,000  | NCL 3.625% 15/12/2024                               | 1,496,484         | 0.77                  |
| <b>Canada - 0.00% (0.80%)</b>                                      |   |                   |                       |
| <b>Finland - 0.62% (0.00%)</b>                                     |   |                   |                       |
| €1,400,000   | Finnair 10.25% Perpetual                            | 1,195,133         | 0.62                  |
| <b>France - 3.49% (0.92%)</b>                                      |   |                   |                       |
| £300,000   | BNP Paribas 2% 24/05/2031                           | 257,996           | 0.13                  |
| €1,200,000   | BNP Paribas 7.375% Perpetual                        | 1,024,663         | 0.53                  |
| €1,000,000   | Electricite de France 7.5% Perpetual                | 888,968           | 0.46                  |
| €1,491,000   | IM SAS 8% 01/03/2028                                | 1,111,463         | 0.57                  |
| €2,250,000   | Loxam SAS 3.25% 14/01/2025                          | 1,892,313         | 0.98                  |
| €650,000   | Tereos Finance Groupe I 7.25% 15/04/2028            | 580,503           | 0.30                  |
| €1,383,000   | TotalEnergies 1.625% Perpetual                      | 996,886           | 0.52                  |
|  |   | 6,752,792         | 3.49                  |
| <b>Germany - 10.90% (15.53%)</b>                                   |   |                   |                       |
| €1,327,000   | Altice France 8% 15/05/2027                         | 437,754           | 0.23                  |
| €300,000   | ARD Finance 5% 30/06/2027                           | 200,178           | 0.10                  |
| €1,700,000   | Ardagh Metal Packaging Finance 3% 01/09/2029        | 1,105,008         | 0.57                  |
| £226,000   | BCP V Modular Services Finance II 6.125% 30/11/2028 | 184,755           | 0.09                  |
| €1,000,000   | Carnival 10.125% 01/02/2026                         | 900,638           | 0.46                  |
| €1,100,000   | Casino Guichard Perrachon 6.625% 15/01/2026         | 12,253            | 0.01                  |
| £350,000   | Cidron Aida Finco Sarl 6.25% 01/04/2028             | 305,375           | 0.16                  |
| £1,000,000   | CPUK Finance 3.69% 28/02/2047                       | 865,808           | 0.45                  |
| €489,000   | CT Investment 5.5% 15/04/2026                       | 391,105           | 0.20                  |
| €350,000   | Deuce Finco 6.796% 15/06/2027                       | 291,646           | 0.15                  |
| €600,000   | Deutsche Bank 4.5% Perpetual                        | 390,358           | 0.20                  |
| \$539,000  | Deutsche Bank AG/New York NY 7.079% 10/02/2034      | 404,511           | 0.21                  |
| €693,000   | HSE Finance 5.625% 15/10/2026                       | 326,583           | 0.17                  |
| €750,000   | IHO Verwaltungs 8.75% 15/05/2028                    | 673,152           | 0.35                  |
| €1,431,000   | Lune Sarl 5.625% 15/11/2028                         | 994,534           | 0.51                  |
| €300,000   | Midco GB 7.75% 01/11/2027                           | 240,343           | 0.12                  |
| £700,000   | MPT Operating Partnership 3.375% 24/04/2030         | 462,482           | 0.24                  |
| €150,000   | Nidda BondCo 5% 30/09/2025                          | 126,919           | 0.07                  |
| €1,400,000   | Nidda Healthcare 7.5% 21/08/2026                    | 1,197,902         | 0.62                  |
| €2,016,000   | PeopleCert Wisdom Issuer 5.75% 15/09/2026           | 1,664,333         | 0.86                  |
| £2,912,000   | PepsiCo 3.55% 22/07/2034                            | 2,531,361         | 1.31                  |

## Portfolio Statement *(continued)*

As at 31 July 2023

| Holding  | Investment   | Market value<br>£ | Total net assets<br>% |
|--|--|-------------------|-----------------------|
| <b>Germany (continued)</b>                       |  |                   |                       |
| €950,000   | Picard Bondco 5.375% 01/07/2027                            | 743,145           | 0.38                  |
| €600,000   | Picard Groupe SAS 3.875% 01/07/2026                        | 481,971           | 0.25                  |
| £1,600,000                                       | Pinnacle Bidco 6.375% 15/02/2025                           | 1,560,589         | 0.81                  |
| €1,000,000                                       | Renk AG/Frankfurt am Main 5.75% 15/07/2025                 | 852,270           | 0.44                  |
| €1,000,000                                       | SELP Finance Sarl 0.875% 27/05/2029                        | 682,616           | 0.35                  |
| €675,789   | Summer BC Holdco A SARL 9.25% 31/10/2027                   | 466,128           | 0.24                  |
| €500,000   | Summer BC Holdco B SARL 5.75% 31/10/2026                   | 381,745           | 0.20                  |
| €846,810   | Summer BidCo 9% 15/11/2025                                 | 661,194           | 0.34                  |
| €256,000   | Teva Pharmaceutical Finance Netherlands IV 4.5% 01/03/2025 | 216,510           | 0.11                  |
| €1,300,000                                       | Vallourec 8.5% 30/06/2026                                  | 1,119,457         | 0.58                  |
| £240,000   | Vodafone 4.875% 03/10/2078                                 | 224,753           | 0.12                  |
|  |  | 21,097,376        | 10.90                 |
| <b>Guernsey, Channel Islands - 7.06% (8.54%)</b> |  |                   |                       |
| €500,000   | Banijay Entertainment 3.5% 01/03/2025                      | 419,327           | 0.22                  |
| €1,000,000                                       | Birkenstock GMBH 5.25% 30/04/2029                          | 804,056           | 0.41                  |
| \$1,100,000                                      | CA Magnum 5.375% 31/10/2026                                | 797,039           | 0.41                  |
| £1,250,000                                       | CPUK Finance 6.5% 28/08/2026                               | 1,194,375         | 0.62                  |
| £405,000   | Deuce Finco 5.5% 15/06/2027                                | 346,849           | 0.18                  |
| €1,150,000                                       | Loarre Investments Sarl 6.5% 15/05/2029                    | 941,395           | 0.49                  |
| €250,000   | Nidda BondCo 5% 30/09/2025                                 | 211,532           | 0.11                  |
| €2,100,000                                       | Parts Europe 6.5% 16/07/2025                               | 1,802,056         | 0.93                  |
| £850,000   | Pinewood Finance 3.25% 30/09/2025                          | 782,000           | 0.40                  |
| £2,000,000                                       | Pinewood Finance 3.625% 15/11/2027                         | 1,697,540         | 0.88                  |
| £700,000   | Punch Finance 6.125% 30/06/2026                            | 602,889           | 0.31                  |
| €686,000   | Tereos Finance Groupe I 7.5% 30/10/2025                    | 601,041           | 0.31                  |
| €1,000,000                                       | Tereos Finance Groupe I 4.75% 30/04/2027                   | 833,736           | 0.43                  |
| €2,500,000                                       | VZ Secured Financing 3.5% 15/01/2032                       | 1,711,210         | 0.88                  |
| \$1,187,000                                      | Welltec International 8.25% 15/10/2026                     | 934,063           | 0.48                  |
|  |  | 13,679,108        | 7.06                  |
| <b>Ireland - 12.36% (12.02%)</b>                 |  |                   |                       |
| £750,000   | ABP Finance 6.25% 14/12/2026                               | 744,165           | 0.38                  |
| €1,200,000                                       | Afflelou 10.703% 19/05/2027                                | 971,653           | 0.50                  |
| €200,000   | AIB 6.25% Perpetual  | 164,388           | 0.09                  |
| €440,520   | ARD Finance 5% 30/06/2027                                  | 293,942           | 0.15                  |
| £2,500,000                                       | Ardagh Packaging Finance 4.75% 15/07/2027                  | 2,013,853         | 1.04                  |
| \$1,800,000                                      | ASG Finance Designated Activity 7.875% 03/12/2024          | 1,360,343         | 0.70                  |
| \$1,000,000                                      | AT Securities 5.25% Perpetual                              | 345,072           | 0.18                  |
| €1,100,000                                       | Bank of Cyprus 6.625% 23/10/2031                           | 882,303           | 0.46                  |
| \$200,000  | Beazley Insurance 5.5% 10/09/2029                          | 142,968           | 0.07                  |
| €200,000   | CPI Property Group 4.875% Perpetual                        | 67,707            | 0.04                  |
| £500,000   | CPUK Finance 4.875% 28/02/2047                             | 474,190           | 0.25                  |
| €1,390,000                                       | Energia Roi Financeco DAC 6.875% 31/07/2028                | 1,189,945         | 0.61                  |

## Portfolio Statement *(continued)*

As at 31 July 2023

| Holding  | Investment   | Market value<br>£ | Total net assets<br>% |
|--|--|-------------------|-----------------------|
| <b>Ireland (continued)</b>                     |  |                   |                       |
| €600,000                                       | Energo-Pro 4.5% 04/05/2024                                   | 510,314           | 0.26                  |
| \$1,600,000                                    | Energo-Pro 8.5% 04/02/2027                                   | 1,209,193         | 0.62                  |
| £607,486                                       | Greene King Finance 5.318% 15/09/2031                        | 552,362           | 0.29                  |
| €500,000                                       | International Consolidated Airlines 2.75% 25/03/2025         | 414,302           | 0.21                  |
| €2,605,556                                     | Intrum 3.125% 15/07/2024                                     | 2,154,040         | 1.11                  |
| €1,250,000                                     | Lehman Brothers Defaulted 4.625% 14/03/2019*                 | –                 | –                     |
| £1,000,000                                     | Logicor Financing Sarl 2.75% 15/01/2030                      | 752,030           | 0.39                  |
| £2,100,000                                     | MPT Operating Partnership 2.55% 05/12/2023                   | 2,045,165         | 1.06                  |
| £500,000                                       | MPT Operating Partnership 3.692% 05/06/2028                  | 360,000           | 0.19                  |
| £1,800,000                                     | Ocado Group 3.875% 08/10/2026                                | 1,529,899         | 0.79                  |
| £357,000                                       | Rothesay Life 6.875% Perpetual                               | 298,131           | 0.15                  |
| €1,500,000                                     | Sagax Euro MTN 1% 17/05/2029                                 | 951,222           | 0.49                  |
| €1,567,000                                     | SELP Finance Sarl 3.75% 10/08/2027                           | 1,276,612         | 0.66                  |
| €1,000,000                                     | Teva Pharmaceutical Finance Netherlands II 4.375% 09/05/2030 | 733,439           | 0.38                  |
| £1,200,000                                     | Thames Water Utilities Finance 2.625% 24/01/2032             | 909,012           | 0.47                  |
| €1,400,000                                     | Trivium Packaging Finance 3.75% 15/08/2026                   | 1,103,471         | 0.57                  |
| £500,000                                       | Virgin Money UK 9.25% Perpetual                              | 483,272           | 0.25                  |
|  |  | 23,932,993        | 12.36                 |
| <b>Italy - 2.34% (0.32%)</b>                   |  |                   |                       |
| €1,155,000                                     | Bormioli Pharma Spa 8.812% 15/05/2028                        | 980,848           | 0.51                  |
| €469,000                                       | Engineering - Ingegneria Informatica - 11.125% 15/05/2028    | 401,856           | 0.21                  |
| \$300,000                                      | Intesa Sanpaolo 4% 23/09/2029                                | 204,710           | 0.10                  |
| \$750,000                                      | Intesa Sanpaolo 7.7% Perpetual                               | 562,427           | 0.29                  |
| €1,797,000                                     | Limacorporate 8.233% 01/02/2028                              | 1,532,037         | 0.79                  |
| €1,000,000                                     | Limacorporate 9% 01/02/2028                                  | 852,553           | 0.44                  |
|  |  | 4,534,431         | 2.34                  |
| <b>Jersey, Channel Islands - 0.00% (0.24%)</b> |  |                   |                       |
| <b>Liberia - 0.00% (0.15%)</b>                 |  |                   |                       |
| <b>Luxembourg - 16.06% (14.76%)</b>            |  |                   |                       |
| €1,553,000                                     | Almaviva-The Italian Innovation Co 4.875% 30/10/2026         | 1,275,961         | 0.66                  |
| €1,100,000                                     | Alpha Bank 7.5% 16/06/2027                                   | 970,796           | 0.50                  |
| €500,000                                       | Altice Financing 2.25% 15/01/2025                            | 384,506           | 0.20                  |
| €500,000                                       | Aroundtown 1% 07/01/2025                                     | 393,095           | 0.20                  |
| £557,000                                       | AXA 5.453% Perpetual   | 540,318           | 0.28                  |
| £750,000                                       | B&M European Value Retail 3.625% 15/07/2025                  | 715,125           | 0.37                  |
| €1,600,000                                     | Blackstone Property Partners Europe Sarl 0.5% 12/09/2023     | 1,362,453         | 0.70                  |
| €500,000                                       | Burger King France SAS 7.232% 01/11/2026                     | 429,164           | 0.22                  |
| €595,000                                       | Canpack SA 2.375% 01/11/2027                                 | 434,059           | 0.23                  |
| €400,000                                       | Casino Guichard Perrachon 4.498% 07/03/2024                  | 4,181             | –                     |

## Portfolio Statement *(continued)*

As at 31 July 2023

| Holding                            | Investment   | Market value<br>£ | Total net assets<br>% |
|------------------------------------|--|-------------------|-----------------------|
| <b>Luxembourg (continued)</b>      |  |                   |                       |
| €350,000                           | Casino Guichard Perrachon 5.25% 15/04/2027                   | 3,749             | –                     |
| £780,000                           | Cidron Aida Finco SARL 6.25% 01/04/2028                      | 680,550           | 0.35                  |
| £3,794,000                         | Credit Suisse 7.75% 10/03/2026                               | 3,902,508         | 2.02                  |
| €1,100,000                         | Dana Financing Luxembourg Sarl 8.5% 15/07/2031               | 989,646           | 0.51                  |
| €600,000                           | Deutsche Bank 10% Perpetual                                  | 524,091           | 0.27                  |
| £791,000                           | Encore Capital 4.25% 01/06/2028                              | 601,160           | 0.31                  |
| €1,508,000                         | Fiber Bidco S.P.A. 11% 25/10/2027                            | 1,392,248         | 0.72                  |
| €1,888,000                         | Golden Goose 7.529% 14/05/2027                               | 1,611,560         | 0.83                  |
| €2,000,000                         | Iliad 5.375% 14/06/2027                                      | 1,713,331         | 0.89                  |
| €250,000                           | Intesa Sanpaolo 5.875% Perpetual                             | 178,173           | 0.09                  |
| €160,000                           | Logicor Financing Sarl 0.625% 17/11/2025                     | 122,075           | 0.06                  |
| €600,000                           | Marcolin 6.125% 15/11/2026                                   | 472,386           | 0.25                  |
| £850,000                           | Nestle 2.125% 04/04/2027                                     | 763,513           | 0.40                  |
| \$1,600,000                        | Nielsen Co Luxembourg SARL 5% 01/02/2025                     | 1,148,734         | 0.59                  |
| €721,000                           | Rekeep 7.25% 01/02/2026                                      | 584,951           | 0.30                  |
| €950,000                           | Rossini SARL 6.75% 30/10/2025                                | 819,668           | 0.42                  |
| €500,000                           | Segro Capital Sarl 1.25% 23/03/2026                          | 395,186           | 0.21                  |
| \$1,104,000                        | Societe Generale 9.375% Perpetual                            | 875,071           | 0.45                  |
| £1,250,000                         | Unique Pub Finance 6.464% 30/03/2032                         | 1,235,908         | 0.64                  |
| €900,000                           | Vallourec 8.5% 30/06/2026                                    | 775,009           | 0.40                  |
| \$1,500,000                        | Var Energi 8% 15/11/2032                                     | 1,259,123         | 0.65                  |
| £3,783,000                         | Virgin Media Secured Finance 5.25% 15/05/2029                | 3,260,916         | 1.68                  |
| €1,500,000                         | Volkswagen International Finance 5.125% Perpetual            | 1,284,291         | 0.66                  |
|                                    |  | 31,103,505        | 16.06                 |
| <b>Netherlands - 1.74% (0.92%)</b> |  |                   |                       |
| €1,100,000                         | Teva Pharmaceutical Finance Netherlands II 7.375% 15/09/2029 | 959,580           | 0.49                  |
| \$3,200,000                        | Viterra Finance 4.9% 21/04/2027                              | 2,412,483         | 1.25                  |
|                                    |  | 3,372,063         | 1.74                  |
| <b>Norway - 1.52% (0.69%)</b>      |  |                   |                       |
| \$521,000                          | International Petroleum 7.25% 01/02/2027                     | 379,443           | 0.20                  |
| \$600,000                          | Petroleum Geo-Services 13.5% 31/03/2027                      | 466,011           | 0.24                  |
| \$2,500,000                        | Yara International 7.378% 14/11/2032                         | 2,100,121         | 1.08                  |
|                                    |  | 2,945,575         | 1.52                  |
| <b>Panama - 0.22% (0.22%)</b>      |  |                   |                       |
| €150,000                           | Carnival 10.125% 01/02/2026                                  | 135,096           | 0.07                  |
| \$350,000                          | Carnival 10.5% 01/02/2026                                    | 287,448           | 0.15                  |
|                                    |  | 422,544           | 0.22                  |

## Portfolio Statement *(continued)*

| As at 31 July 2023 |   |                   |                       |
|--------------------|---|-------------------|-----------------------|
| Holding            | Investment  | Market value<br>£ | Total net assets<br>% |
|                    | <b>Singapore - 0.22% (1.26%)</b>                                      |                   |                       |
| €500,000           | SoftBank 2.125% 06/07/2024  | 414,495           | 0.22                  |
|                    | <b>Spain - 0.44% (0.24%)</b>  |                   |                       |
| \$1,000,000        | Banco Santander 7.5% Perpetual  | 753,798           | 0.39                  |
| £100,000           | CaixaBank 6.875% 25/10/2033   | 96,087            | 0.05                  |
|                    |   | 849,885           | 0.44                  |
|                    | <b>Sweden - 0.49% (0.16%)</b>   |                   |                       |
| €1,041,300         | Preem 12% 30/06/2027  | 954,680           | 0.49                  |
|                    | <b>Switzerland - 0.00% (0.90%)</b>                                    |                   |                       |
|                    | <b>United Kingdom - 27.31% (16.01%)</b>                               |                   |                       |
| £582,000           | Anglian Water Services Financing 2.625% 15/06/2027                    | 512,647           | 0.26                  |
| £200,000           | Anglian Water Services Financing 6.293% 30/07/2030                    | 205,264           | 0.11                  |
| \$500,000          | Ashtead Capital 4.375% 15/08/2027                                     | 367,881           | 0.19                  |
| \$2,400,000        | Ashtead Capital 4% 01/05/2028   | 1,738,235         | 0.90                  |
| \$700,000          | Ashtead Capital 4.25% 01/11/2029                                      | 498,150           | 0.26                  |
| £1,696,000         | Barclays 8.407% 14/11/2032  | 1,739,143         | 0.90                  |
| £3,200,000         | Barclays 7.125% Perpetual   | 3,013,862         | 1.56                  |
| £1,000,000         | Bazalgette Finance 2.75% 10/03/2034                                   | 759,490           | 0.39                  |
| \$500,000          | Beazley Insurance 5.875% 04/11/2026                                   | 376,899           | 0.19                  |
| €700,000           | BP Capital Markets 3.25% Perpetual                                    | 560,800           | 0.29                  |
| £1,300,000         | BP Capital Markets 4.25% Perpetual                                    | 1,153,672         | 0.60                  |
| £846,000           | Coventry Building Society 6.875% Perpetual                            | 803,742           | 0.41                  |
| £1,500,000         | Go-Ahead Group 2.5% 06/07/2024  | 1,488,750         | 0.77                  |
| €675,489           | Hellas Telecom 12.732% 31/12/2025*                                    | –                 | –                     |
| £2,200,000         | HSBC 8.201% 16/11/2034  | 2,296,418         | 1.19                  |
| \$1,200,000        | Jaguar Land Rover Automotive 7.75% 15/10/2025                         | 946,073           | 0.49                  |
| £850,000           | John Lewis 6.125% 21/01/2025  | 823,769           | 0.43                  |
| \$1,600,000        | KCA Deutag UK Finance 9.875% 01/12/2025                               | 1,242,228         | 0.64                  |
| £500,000           | Logicor 1.875% 17/11/2031   | 433,739           | 0.22                  |
| £562,000           | Maison Finco 6% 31/10/2027  | 421,472           | 0.22                  |
| £200,000           | Marston's Issuer 5.1774% 15/07/2032                                   | 171,323           | 0.09                  |
| £64,000            | Maryland Bidco 9.767696% 26/07/2027                                   | 55,680            | 0.03                  |
| £171,000           | Maryland Bidco 10% 26/01/2028   | 145,451           | 0.07                  |
| £1,200,000         | National Grid Electricity Distribution West Midlands 5.75% 16/04/2032 | 1,189,099         | 0.61                  |
| £2,450,000         | National Grid Electricity Transmission 2.75% 06/02/2035               | 1,818,904         | 0.94                  |
| £2,100,000         | Nationwide Building Society 6.178% 07/12/2027                         | 2,074,527         | 1.07                  |
| £200,000           | Nationwide Building Society 5.875% Perpetual                          | 189,500           | 0.10                  |
| £1,250,000         | Nats En Route 1.375% 31/03/2031                                       | 1,035,163         | 0.53                  |
| £205,000           | Natwest Group 5.125% Perpetual  | 173,647           | 0.09                  |
| £1,718,000         | NatWest Group 7.416% 06/06/2033                                       | 1,711,997         | 0.88                  |



## Portfolio Statement *(continued)*

As at 31 July 2023

| Holding                                | Investment  | Market value<br>£ | Total net assets<br>% |
|--|---|-------------------|-----------------------|
| <b>United Kingdom (continued)</b>      |   |                   |                       |
| £1,072,000                             | NatWest Markets 6.375% 08/11/2027                         | 1,078,028         | 0.56                  |
| £600,000                               | Pension Insurance 6.5% 03/07/2024                         | 595,923           | 0.31                  |
| £750,000                               | Places For People Treasury 2.875% 17/08/2026              | 680,910           | 0.35                  |
| £1,000,000                             | Premier Foods Finance 3.5% 15/10/2026                     | 897,080           | 0.46                  |
| £1,150,000                             | Quadgas Finance 3.375% 17/09/2029                         | 933,053           | 0.48                  |
| £1,700,000                             | RAC Bond 4.87% 06/05/2046                                 | 1,552,205         | 0.80                  |
| £1,300,000                             | Reckitt Benckiser Treasury Services 1.75% 19/05/2032      | 993,117           | 0.51                  |
| £1,143,000                             | Rothesay Life 7.734% 16/05/2033                           | 1,127,295         | 0.58                  |
| £2,800,000                             | Royal Bank of Canada 5% 24/01/2028                        | 2,696,165         | 1.39                  |
| £1,000,000                             | Sage Group 1.625% 25/02/2031                              | 752,780           | 0.39                  |
| £1,590,000                             | Severn Trent Utilities Finance 4.625% 30/11/2034          | 1,438,025         | 0.74                  |
| £1,005,000                             | SSE 3.74% Perpetual                                       | 911,636           | 0.47                  |
| \$1,047,000                            | Standard Chartered 7.75% Perpetual                        | 811,904           | 0.42                  |
| £250,000                               | Tesco Corporate Treasury Services 2.75% 27/04/2030        | 205,992           | 0.11                  |
| £1,250,000                             | TP ICAP Finance 2.625% 18/11/2028                         | 945,138           | 0.49                  |
| £1,590,000                             | Travis Perkins 4.5% 07/09/2023                            | 1,582,050         | 0.82                  |
| £557,587                               | Unique Pub Finance 7.395% 28/03/2024                      | 554,797           | 0.29                  |
| £1,000,000                             | United Kingdom Gilt 2.25% 07/09/2023                      | 996,942           | 0.51                  |
| £500,000                               | Virgin Money UK 4% 03/09/2027                             | 450,509           | 0.23                  |
| £1,200,000                             | Virgin Money UK 7.875% 14/12/2028                         | 1,194,000         | 0.62                  |
| £250,000                               | Western Power Distribution East Midlands 1.75% 09/09/2031 | 186,432           | 0.10                  |
| £2,732,000                             | Yorkshire Building Society 6.375% 15/11/2028              | 2,657,520         | 1.37                  |
| £1,700,000                             | Yorkshire Water Finance 5.25% 28/04/2030                  | 1,611,054         | 0.83                  |
| £100,000                               | Yorkshire Water Finance 5.5% 28/04/2035                   | 93,722            | 0.05                  |
|  |   | 52,893,802        | 27.31                 |
| <b>United States - 10.79% (18.33%)</b> |   |                   |                       |
| \$1,500,000                            | American Airlines 11.75% 15/07/2025                       | 1,288,053         | 0.66                  |
| £1,500,000                             | AT&T 2.9% 04/12/2026                                      | 1,349,430         | 0.70                  |
| £100,000                               | AT&T 4.25% 01/06/2043                                     | 76,676            | 0.04                  |
| \$300,000                              | Bath & Body Works 9.375% 01/07/2025                       | 246,717           | 0.13                  |
| \$200,000                              | Baytex Energy 8.75% 01/04/2027                            | 159,691           | 0.08                  |
| \$600,000                              | BBVA Global Finance 7% 01/12/2025                         | 469,233           | 0.24                  |
| \$600,000                              | Community Health Systems 8% 15/12/2027                    | 457,091           | 0.24                  |
| \$1,500,000                            | Drax Finco 6.625% 01/11/2025                              | 1,149,064         | 0.59                  |
| \$500,000                              | Enbridge 6.25% 01/03/2078                                 | 360,539           | 0.19                  |
| \$3,000,000                            | Enel 8.75% 24/09/2073                                     | 2,326,427         | 1.20                  |
| \$1,000,000                            | Energy Transfer 6.75% Perpetual                           | 707,693           | 0.37                  |
| \$665,000                              | Energy Ventures 11.75% 15/04/2026                         | 536,248           | 0.28                  |
| \$300,000                              | Ford Motor 9.625% 22/04/2030                              | 272,795           | 0.14                  |
| \$500,000                              | Genesis Energy Finance 6.5% 01/10/2025                    | 385,911           | 0.20                  |
| \$2,100,000                            | Neptune Energy Bondco 6.625% 15/05/2025                   | 1,624,129         | 0.84                  |
| \$1,800,000                            | Prime Healthcare Services 7.25% 01/11/2025                | 1,332,282         | 0.69                  |
| \$1,000,000                            | RegionalCare Hospital Partners 9.75% 01/12/2026           | 730,554           | 0.38                  |

## Portfolio Statement *(continued)*

As at 31 July 2023

| Holding   | Investment                                       | Market value<br>£  | Total net assets<br>% |
|---|--|--------------------|-----------------------|
| <b>United States (continued)</b>                    |  |                    |                       |
| €1,100,000  | SCIL IV/ SCIL USA 9.5% 15/07/2028                | 959,354            | 0.49                  |
| \$235,000   | Select Medical 6.25% 15/08/2026                  | 181,533            | 0.09                  |
| \$485,000   | Talos Production 12% 15/01/2026                  | 395,197            | 0.20                  |
| £2,600,000  | Verizon Communications 4.75% 17/02/2034          | 2,377,134          | 1.23                  |
| £2,025,000  | Verizon Communications 3.125% 02/11/2035         | 1,547,384          | 0.80                  |
| \$1,848,000   | W&T Offshore 11.75% 01/02/2026                   | 1,470,035          | 0.76                  |
| £530,000  | Welltower 4.8% 20/11/2028                        | 488,409            | 0.25                  |
|   |  | <b>20,891,579</b>  | <b>10.79</b>          |
| <b>EQUITIES - 0.07% (0.00%)</b>                     |  |                    |                       |
| 124,000   | Aviva 8.75% Cumulative Irredeemable Preference   | 145,080            | 0.07                  |
| 6,597   | Maryland Holdco*                                 | –                  | –                     |
|   |  | <b>145,080</b>     | <b>0.07</b>           |
| <b>DERIVATIVES - (0.49%) (0.24%)</b>                |  |                    |                       |
| <b>Credit Default Swaps - (0.15%) (0.00%)</b>       |  |                    |                       |
| 7,000,000   | CDS iTraxx Europe Crossover Series 5% 20/06/2028 | (291,638)          | (0.15)                |
| <b>Futures Contracts - (0.13%) (0.00%)</b>          |  |                    |                       |
| 91  | Futures 10Y T-Note Sept 2023                     | (204,945)          | (0.11)                |
| 546   | Futures Ice Sonia SO3 June 2026                  | (29,788)           | (0.01)                |
| (638)   | Futures Lif 3M Euribor June 2026                 | 20,500             | 0.01                  |
| 99  | Futures Lif Long Gilt Sept 2023                  | (35,640)           | (0.02)                |
|   |  | <b>(249,873)</b>   | <b>(0.13)</b>         |
| <b>Forward Currency Contracts - (0.21%) (0.24%)</b> |  |                    |                       |
|   | Bought GBP £66,832,472: Sold EUR €77,811,404     | 66,543             | 0.03                  |
|   | Bought GBP £1,668,325: Sold EUR €1,947,352       | (2,596)            | –                     |
|   | Bought USD \$770,565: Sold GBP £598,414          | 1,851              | –                     |
|   | Bought GBP £43,640,352: Sold USD \$56,624,888    | (470,098)          | (0.24)                |
|   |  | <b>(404,300)</b>   | <b>(0.21)</b>         |
|   | Total value of investments                       | <b>186,784,484</b> | <b>96.45</b>          |
|   | Net other assets                                 | <b>6,870,235</b>   | <b>3.55</b>           |
|   | <b>Net assets</b>                                | <b>193,654,719</b> | <b>100.00</b>         |

All holdings are ordinary shares or stock units unless otherwise stated.

The figures in brackets show allocations as at 31 July 2022.

\*Represents an unquoted security.

| Asset allocation |                |
|------------------|----------------|
| Debt Securities  | 96.87%         |
| Equities         | 0.07%          |
| Derivatives      | (0.49)%        |
| Net other assets | 3.55%          |
| <b>Total</b>     | <b>100.00%</b> |

| Portfolio allocation      |                |
|---------------------------|----------------|
| United Kingdom            | 27.38%         |
| Luxembourg                | 16.06%         |
| Ireland                   | 12.36%         |
| Germany                   | 10.90%         |
| United States             | 10.79%         |
| Guernsey, Channel Islands | 7.06%          |
| France                    | 3.49%          |
| Italy                     | 2.34%          |
| Netherlands               | 1.74%          |
| Norway                    | 1.52%          |
| Bermuda                   | 0.77%          |
| Finland                   | 0.62%          |
| Australia                 | 0.54%          |
| Sweden                    | 0.49%          |
| Spain                     | 0.44%          |
| Panama                    | 0.22%          |
| Singapore                 | 0.22%          |
| Derivatives               | (0.49)%        |
| Net other assets          | 3.55%          |
| <b>Total</b>              | <b>100.00%</b> |

| Major holdings                                | Percentage of portfolio |
|---|-------------------------|
| Credit Suisse 7.75% 10/03/2026                | 2.02%                   |
| Virgin Media Secured Finance 5.25% 15/05/2029 | 1.68%                   |
| Barclays 7.125% Perpetual                     | 1.56%                   |
| Royal Bank of Canada 5% 24/01/2028            | 1.39%                   |
| Yorkshire Building Society 6.375% 15/11/2028  | 1.37%                   |
| PepsiCo 3.55% 22/07/2034                      | 1.31%                   |
| Viterra Finance 4.9% 21/04/2027               | 1.25%                   |
| Verizon Communications 4.75% 17/02/2034       | 1.23%                   |
| Enel 8.75% 24/09/2073                         | 1.20%                   |
| HSBC 8.201% 16/11/2034                        | 1.19%                   |
| <b>Number of holdings</b>                     | <b>225</b>              |

## Statement of Total Return

| For the year ended 31 July 2023   |      |                  |                |                  |                 |
|---|------|------------------|----------------|------------------|-----------------|
|   | Note | Year to 31.07.23 |                | Year to 31.07.22 |                 |
|   |      | £'000            | £'000          | £'000            | £'000           |
| Income  |      |                  |                |                  |                 |
| Net capital losses  | 2    |                  | (7,966)        |                  | (11,272)        |
| Revenue   | 3    | 11,471           |                | 4,488            |                 |
| Expenses  | 4    | (989)            |                | (546)            |                 |
| Interest payable and similar charges  |      | (626)            |                | (14)             |                 |
| Net revenue before taxation   |      | 9,856            |                | 3,928            |                 |
| Taxation  | 5    | (3)              |                | –                |                 |
| Net revenue after taxation  |      |                  | 9,853          |                  | 3,928           |
| <b>Total return before distributions</b>  |      |                  | <b>1,887</b>   |                  | <b>(7,344)</b>  |
| Distributions   | 6    |                  | (10,843)       |                  | (4,476)         |
| <b>Change in net assets attributable to shareholders from investment activities</b> |      |                  | <b>(8,956)</b> |                  | <b>(11,820)</b> |

## Statement of Change in Net Assets Attributable to Shareholders

| For the year ended 31 July 2023  |                  |                |                  |                |
|--|------------------|----------------|------------------|----------------|
|  | Year to 31.07.23 |                | Year to 31.07.22 |                |
|  | £'000            | £'000          | £'000            | £'000          |
| <b>Opening net assets attributable to shareholders</b>                       |                  | <b>138,404</b> |                  | <b>46,837</b>  |
| Amounts receivable on issue of shares  | 117,938          |                | 136,039          |                |
| Amounts payable on cancellation of shares                                    | (60,145)         |                | (36,174)         |                |
|  |                  | 57,793         |                  | 99,865         |
| Change in net assets attributable to shareholders from investment activities |                  | (8,956)        |                  | (11,820)       |
| Unclaimed distributions  |                  | –              |                  | 13             |
| Retained distribution on accumulation shares                                 |                  | 6,414          |                  | 3,509          |
| <b>Closing net assets attributable to shareholders</b>                       |                  | <b>193,655</b> |                  | <b>138,404</b> |

The notes on pages 58 to 71 form an integral part of these financial statements.

## Balance Sheet

| As at 31 July 2023                             |      |                   |                   |
|--|------|-------------------|-------------------|
|  | Note | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
| <b>Assets</b>                                  |      |                   |                   |
| Fixed Assets:                                  |      |                   |                   |
| Investments                                    |      | 187,819           | 127,695           |
| Current assets:                                |      |                   |                   |
| Debtors  | 7    | 4,939             | 4,960             |
| Cash and bank balances                         | 8    | 5,265             | 7,968             |
| Total assets                                   |      | 198,023           | 140,623           |
| <b>Liabilities</b>                             |      |                   |                   |
| Investment liabilities                         |      | (1,035)           | (13)              |
| Creditors:                                     |      |                   |                   |
| Bank overdrafts                                | 9    | (1,732)           | (9)               |
| Distributions payable                          |      | (564)             | (134)             |
| Other creditors                                | 10   | (1,037)           | (2,063)           |
| Total liabilities                              |      | (4,368)           | (2,219)           |
| <b>Net assets attributable to shareholders</b> |      | <b>193,655</b>    | <b>138,404</b>    |

The notes on pages 58 to 71 form an integral part of these financial statements.

## Notes to the Financial Statements

### 1. Significant Accounting Policies

The summary of applicable accounting policies adopted by the Jupiter Monthly Income Bond Fund are included on pages 234 to 236.

### 2. Net Capital Losses

The net losses on investments during the year comprise:

|  | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--|-------------------|-------------------|
| Currency (losses)/gains  | (2,578)           | 263               |
| Central Securities Depositories Regulation Penalty Reimbursement | 1                 | 2                 |
| Losses on non-derivative securities                              | (6,348)           | (7,117)           |
| Gains/(losses) on forward currency contracts (see Note 13)       | 4,029             | (4,599)           |
| (Losses)/gains on derivative contracts (see Note 13)             | (3,070)           | 179               |
| <b>Net capital losses</b>  | <b>(7,966)</b>    | <b>(11,272)</b>   |

### 3. Revenue

|                             | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|-----------------------------|-------------------|-------------------|
| UK dividends                | 11                | 10                |
| Bank interest               | 139               | 6                 |
| Interest on debt securities | 10,738            | 4,469             |
| Credit default swap income  | 583               | 3                 |
| <b>Total revenue</b>        | <b>11,471</b>     | <b>4,488</b>      |

### 4. Expenses

|  | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--|-------------------|-------------------|
| <b>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</b> |                   |                   |
| Fixed Annual Charge*   | 989               | 60                |
| Fixed Ongoing Charge   | –                 | 486               |
| <b>Total expenses</b>  | <b>989</b>        | <b>546</b>        |

\*This figure represent the Fixed Annual Charge, which covers all fees payable by the sub-fund to the Authorised Corporate Director, Investment adviser, Depositary (including associates etc.) and other expenses.

The audit fee for the year, excluding VAT, was £13,250 (31.07.22: £9,550).

## Notes to the Financial Statements *(continued)*

### 5. Taxation

#### (a) Analysis of charge in the year:

|                                      | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--------------------------------------|-------------------|-------------------|
| Irrecoverable overseas tax           | 3                 | –                 |
| <b>Total tax charge for the year</b> | <b>3</b>          | <b>–</b>          |

#### (b) Factors affecting total tax charge for the year:

The tax assessed for the year is lower (2022: lower) than the standard rate of Corporation Tax in the UK for an open-ended investment company. The differences are explained below:

|                                       | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|---------------------------------------|-------------------|-------------------|
| Net revenue before taxation           | 9,856             | 3,928             |
| Corporation tax of 20% (2022: 20%)    | 1,971             | 786               |
| <b>Effects of:</b>                    |                   |                   |
| Revenue not subject to taxation       | (2)               | (2)               |
| Irrecoverable overseas tax            | 3                 | –                 |
| Tax deductible interest distributions | (1,969)           | (784)             |
| <b>Total tax charge for the year</b>  | <b>3</b>          | <b>–</b>          |

OEICs are exempt from tax on capital gains, therefore any capital return is not included in the above reconciliation.

#### (c) Provision for Deferred Tax

There is no material unrecognised Deferred Tax in the current year and prior year.

## Notes to the Financial Statements *(continued)*

### 6. Distributions

The distributions take account of amounts received on the issue of shares and deducted on the cancellation of shares and comprise:

|   | 31.07.23<br>£'000    | 31.07.22<br>£'000   |
|---|----------------------|---------------------|
| 1st interim distribution  | 644                  | 202                 |
| 2nd interim distribution  | 631                  | 200                 |
| 3rd interim distribution  | 594                  | 245                 |
| 4th interim distribution  | 691                  | 283                 |
| 5th interim distribution  | 984                  | 329                 |
| 6th interim distribution  | 965                  | 363                 |
| 7th interim distribution  | 956                  | 339                 |
| 8th interim distribution  | 1,061                | 485                 |
| 9th interim distribution  | 1,165                | 523                 |
| 10th interim distribution   | 1,099                | 556                 |
| 11th interim distribution   | 1,058                | 580                 |
| Final distribution  | 1,125                | 568                 |
|   | <u>10,973</u>        | <u>4,673</u>        |
| Amounts received on issue of shares                                   | (297)                | (272)               |
| Amounts paid on cancellation of shares                                | 167                  | 75                  |
| <b>Net distributions for the year</b>                                 | <u><b>10,843</b></u> | <u><b>4,476</b></u> |
| <b>Reconciliation of net revenue after taxation to distributions:</b> |                      |                     |
| Net revenue after taxation  | 9,853                | 3,928               |
| Charges borne by capital  | 990                  | 547                 |
| Net movement in revenue account                                       | –                    | 1                   |
| <b>Net distributions for the year</b>                                 | <u><b>10,843</b></u> | <u><b>4,476</b></u> |

Details of the distributions in pence per share are shown in the Distribution Tables on pages 72 to 95.

### 7. Debtors

|  | 31.07.23<br>£'000   | 31.07.22<br>£'000   |
|--|---------------------|---------------------|
| Accrued revenue                        | 3,562               | 1,989               |
| Amounts receivable for issue of shares | 1,106               | 1,336               |
| Overseas tax recoverable               | 21                  | 2                   |
| Sales awaiting settlement              | 250                 | 1,633               |
| <b>Total debtors</b>                   | <u><b>4,939</b></u> | <u><b>4,960</b></u> |



## Notes to the Financial Statements *(continued)*

### 8. Cash and Bank Balances

|                                     | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|-------------------------------------|-------------------|-------------------|
| Amounts held at brokers             | 2,345             | 427               |
| Cash and bank balances              | 2,920             | 7,541             |
| <b>Total cash and bank balances</b> | <b>5,265</b>      | <b>7,968</b>      |

### 9. Bank Overdrafts

|                              | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|------------------------------|-------------------|-------------------|
| Bank overdraft               | –                 | 9                 |
| Amounts due to brokers       | 1,732             | –                 |
| <b>Total bank overdrafts</b> | <b>1,732</b>      | <b>9</b>          |

### 10. Other Creditors

|  | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--|-------------------|-------------------|
| Accrued expenses                           | 20                | 16                |
| Amounts payable for cancellation of shares | 553               | 779               |
| Purchases awaiting settlement              | 429               | 1,268             |
| Swap revenue payable to broker             | 35                | –                 |
| <b>Total other creditors</b>               | <b>1,037</b>      | <b>2,063</b>      |

### 11. Contingent Assets, Liabilities and Capital Commitments

The sub-fund had no contingent assets, liabilities or capital commitments at the balance sheet date (31.07.22: £nil).

### 12. Related Party Transactions

Jupiter Fund Managers Limited (prior to 14 November 2022) and Jupiter Unit Trust Managers Limited thereafter, as ACD, is a related party, and acts as principal in respect of all transactions of shares in each sub-fund. The aggregate monies received on issue and paid on cancellation are disclosed in the Statement of change in net assets attributable to shareholders on page 56. Any amounts due to or from the ACD at the end of the accounting year in respect of transactions of shares in each sub-fund are disclosed in Notes 7 (Debtors) and 10 (Other Creditors).

Amounts receivable/(payable) from the ACD in respect of issues/cancellations are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. At the year end, a net balance of £553,365 was receivable from the ACD (31.07.22: £557,238 receivable from the ACD). These amounts are included in amounts receivable for issue of shares in Note 7 and amounts payable for cancellation of shares in Note 10.

Amounts paid to the ACD in respect of fund management are disclosed in Note 4 (Expenses). At the year end, £20,685 (31.07.22: £15,515) was payable to the ACD. This amount is included as part of accrued expenses in Note 10.

## Notes to the Financial Statements *(continued)*

### 13. Financial Instruments

#### Financial Instrument Risk

The sub-fund, in pursuing its objective, holds a number of financial instruments, which may comprise of the following:

Bonds and derivatives.

The sub-fund will also hold cash and other short term debtors and creditors that arise directly from its operations.

In addition, the sub-fund may hold derivatives for investment purposes and the purpose of efficient portfolio management in accordance with the COLL Sourcebook.

The financial instruments are held in line with the sub-fund's investment policy.

The Investment Adviser is responsible for monitoring the portfolio of the sub-fund in accordance with its investment objective and seeks to ensure that individual assets also meet a risk reward profile that is acceptable. The ACD has appointed specialist managers to manage the sub-fund, and continuously monitors this appointment.

Adherence to the investment guidelines and the investment and borrowing powers as set out in the Prospectus and in the rules of the Regulations also mitigates the risk of excessive exposure to any particular type of security or issuer. Further information on the investment portfolio is set out in the Investment Adviser's review and the Portfolio statement of each sub-fund.

The main risks arising from financial instruments are market risk, foreign currency, interest rate, liquidity, credit and counterparty risk which are summarised below.

#### Market Risk

Market risk arises from uncertainty about future prices of financial instruments held. The main source of risk to the sub-fund is the potential movement in the value of financial instruments held as a result of price fluctuations. Stock market prices can move erratically and be unpredictably affected by diverse factors including political and economic events but also rumours and sentiment. The ACD adheres to the investment guidelines and borrowing powers set out within the Prospectus and the COLL Sourcebook. In this way, the ACD monitors and controls the exposure to risk from any type of security, sector or issuer. The sub-fund may also use derivative instruments to mitigate this risk and reduce cost.

#### Market Price Risk Sensitivity

A five percent market movement in the price of investments held by the sub-fund, with all other variables remaining constant, would result in an increase or decrease on net asset value of the sub-fund by approximately £9,339,224 or 4.82% of NAV (31.07.22: £6,384,114 or 4.61% of NAV).

## Notes to the Financial Statements *(continued)*

### 13. Financial Instruments *(continued)*

#### Foreign Currency Risk

A proportion of the sub-fund's financial assets and liabilities are invested overseas. As a result, movements in exchange rates may affect the market price of investments and, due to timing differences between the transaction dates of investment sales, purchases and income, and actual cash settlement, create currency exchange gains/losses. The Investment Adviser does seek to reduce some of this risk by using forward currency contracts.

The direct foreign currency exposure of the sub-fund as at 31 July were as follows:

| Currency     | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--------------|-------------------|-------------------|
| Euro         | (4,309)           | (4,183)           |
| US Dollar    | (5,029)           | (4,055)           |
| <b>Total</b> | <b>(9,338)</b>    | <b>(8,238)</b>    |

#### Interest Rate Risk

Interest rate risk is the risk of movements in the value of financial instruments as a result of fluctuations in interest rates. The interest rate risk profile of the sub-fund's financial assets and liabilities at the year end were as follows:

| Currency        | Floating Rate<br>financial assets<br>£'000 | Fixed Rate<br>financial assets<br>£'000 | Financial assets<br>not carrying interest<br>£'000 | Total<br>£'000 |
|-----------------|--|---|--|----------------|
| <b>31.07.23</b> |  |   |  |                |
| Euro            | 14,959                                     | 50,115                                  | 1,159  | 66,233         |
| US Dollar       | 6,585                                      | 31,677                                  | 809  | 39,071         |
| Sterling        | 24,846                                     | 64,668                                  | 3,205  | 92,719         |
| <b>Total</b>    | <b>46,390</b>                              | <b>146,460</b>                          | <b>5,173</b>                                       | <b>198,023</b> |
| <b>31.07.22</b> |  |   |  |                |
| Euro            | 8,601                                      | 35,301                                  | 614  | 44,516         |
| US Dollar       | 6,183                                      | 29,361                                  | 2,220  | 37,764         |
| Sterling        | 17,678                                     | 38,044                                  | 2,621  | 58,343         |
| <b>Total</b>    | <b>32,462</b>                              | <b>102,706</b>                          | <b>5,455</b>                                       | <b>140,623</b> |

| Currency        | Floating Rate<br>financial liabilities<br>£'000 | Fixed Rate<br>financial liabilities<br>£'000 | Financial liabilities<br>not carrying interest<br>£'000 | Total<br>£'000 |
|-----------------|---|--|---|----------------|
| <b>31.07.23</b> |   |  |   |                |
| Euro            | 1,349   | –  | 759   | 2,108          |
| US Dollar       | 383   | –  | 675   | 1,058          |
| Sterling        | –   | –  | 1,202   | 1,202          |
| <b>Total</b>    | <b>1,732</b>                                    | <b>–</b>                                     | <b>2,636</b>  | <b>4,368</b>   |
| <b>31.07.22</b> |   |  |   |                |
| Euro            | 9   | –  | 5   | 14             |
| US Dollar       | –   | –  | 4   | 4              |
| Sterling        | –   | –  | 2,201   | 2,201          |
| <b>Total</b>    | <b>9</b>  | <b>–</b>                                     | <b>2,210</b>  | <b>2,219</b>   |

## Notes to the Financial Statements *(continued)*

### 13. Financial Instruments *(continued)*

The floating rate financial assets and liabilities include bank balances and overdrafts that bear interest. Interest rates on Sterling and overseas bank balances as supplied by the custodian may vary in line with market conditions and the size of deposit. Overdraft interest is calculated at the current Bank of England base rate plus 1.00%.

#### Liquidity Risk

The sub-fund's assets comprise mainly of readily realisable securities which can be sold promptly to meet liquidity requirements. The main source of this risk comes from the obligation to shareholders to meet any cancellation of shares.

Assets from the sub-fund may need to be sold to meet any redemption proceeds. As part of its operating duties, the ACD regularly monitors the liquidity levels held on the sub-fund (cash and underlying securities) to ensure any redemption can be readily met. Some investments may be less liquid than other securities and can be more sensitive to economic factors. The rules of the Regulations mitigate the risk of excessive exposure to assets which are not readily realisable.

#### Credit Risk

Credit risk is the risk of suffering loss due to another party not meeting its financial obligation. The risk is managed by the Investment Adviser who monitors the credit profile of financial instruments in accordance with the objective and policy of the sub-fund.

Adherence to the investment guidelines and the investment and borrowing powers as set out in the Prospectus and in the rules of the Regulations also mitigates the risk of excessive exposure to any particular type of security or issuer. Further information on the investment portfolio is set out in the Investment Adviser's review and the Portfolio statement.

| As at 31.07.23         |                       |                       |
|------------------------|-----------------------|-----------------------|
| Analysis of Bonds      | Market value<br>£'000 | Total net assets<br>% |
| Investment grade       | 75,470                | 38.95                 |
| Below investment grade | 106,334               | 54.94                 |
| Unrated                | 5,781                 | 2.98                  |
|                        | <u>187,585</u>        | <u>96.87</u>          |

| As at 31.07.22         |                       |                       |
|------------------------|-----------------------|-----------------------|
| Analysis of Bonds      | Market value<br>£'000 | Total net assets<br>% |
| Investment grade       | 56,512                | 40.83                 |
| Below investment grade | 69,347                | 50.10                 |
| Unrated                | 1,490                 | 1.08                  |
|                        | <u>127,349</u>        | <u>92.01</u>          |

#### Counterparty Risk

Certain transactions in financial instruments that a sub-fund enters into have the risk that the counterparty will not meet its financial obligations, i.e. the investment (purchase) or cash (sale) after the sub-fund has fulfilled its responsibilities.

The sub-fund will only buy and sell investments through brokers which have been approved by the ACD and Investment Adviser as an acceptable counterparty. This is overseen by the Depositary to ensure that the exposure to any counterparty remains appropriate for investors.

## Notes to the Financial Statements *(continued)*

### 13. Financial Instruments *(continued)*

#### Use of Derivatives

The Investment Adviser made use of the following derivatives during the year under review:

#### Forward Currency Contracts

The ACD made use of forward foreign currency contracts during the year in order to hedge out some of the currency exposure in the sub-fund. This resulted in realised and unrealised gains of £4,029,478 to the sub-fund during the year (31.07.22: realised and unrealised losses of £4,598,653). All contracts were undertaken with Canadian Imperial Bank of Commerce, Citigroup, Goldman Sachs, HSBC Bank, JPMorgan Chase, Merrill Lynch, Morgan Stanley, Northern Trust, Societe Generale, State Street and Toronto-Dominion Bank as counterparty during the year.

The underlying exposure for forward currency contracts at the balance sheet date are shown below:

| Counterparty   | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|----------------|-------------------|-------------------|
| Citigroup      | –                 | –                 |
| HSBC Bank      | 1                 | 11                |
| Morgan Stanley | –                 | 335               |
| J.P. Morgan    | 67                | –                 |
|                | <b>68</b>         | <b>346</b>        |

#### Futures Contracts

The ACD bought some stock market index futures with the aim of protecting the sub-fund from the risk of index volatility. This resulted in realised and unrealised losses of £1,652,704 (31.07.22: realised and unrealised losses of £10,721) to the sub-fund during the year. All contracts were undertaken with Merrill Lynch as counterparty during the year.

#### Swaps

The ACD bought/sold some credit default and interest rate swap contracts during the year with the aim of protecting the sub-fund from credit risk. These resulted in realised and unrealised losses of £1,417,288 (31.07.22: realised gains of £189,659) to the sub-fund during the year which are included in net capital losses on Note 2. There are no outstanding contracts at year end. All contracts were undertaken with Goldman Sachs and Merrill Lynch as counterparty during the year.

In order to reduce this risk, collateral may be held by the sub-fund. The counterparties to these transactions and any collateral held by the sub-fund at the balance sheet date are shown below:

| Counterparty   | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|----------------|-------------------|-------------------|
| HSBC Bank      | –                 | (870)             |
| Goldman Sachs  | 1,070             | –                 |
| Morgan Stanley | –                 | 10                |
|                | <b>1,070</b>      | <b>(860)</b>      |

## Notes to the Financial Statements *(continued)*

### 13. Financial Instruments *(continued)*

#### Sensitivity Analysis

The Gross Sum of Notionals (GSON) leverage figures are prepared with no hedging or netting of any asset class. Across the range of asset, classes exposures are treated differently. For instance, currency forwards are treated by valuing both legs of the underlying and expressing them as a percentage of the NAV. Physical assets are excluded to get the incremental exposure resulting from derivatives. The sub-fund is limited to 400% gross leverage (2022: 400%), and this limit has not been exceeded over the year. Using the “gross sum of notionals” methodology, the average leverage for the year ended 31 July 2023 was 94.53% (31.07.22: 84.02%).

The Investment Adviser assesses the market risk of the Jupiter Monthly Income Bond Fund, including any derivative exposures, using an Absolute Value at Risk (“VaR”) methodology. VaR is a process that provides the Investment Adviser with an estimate of the maximum potential loss that could be expected to occur as a result of changes in market prices over a given period of time in all but a given percentage of circumstances. As the sub-fund adopts an absolute VaR Model to measure the global market risk, the daily VaR limit for the sub-fund cannot be greater than 20 percent of the Net Asset Value of the sub-fund. The VaR is calculated using a one-tailed 95 percent confidence level, a one month holding period and the historical period of one year (250 Business Days). Derivatives are used to efficiently manage the tactical asset allocation positioning of the sub-fund, Jupiter Monthly Income Bond Fund. The sub-fund uses absolute methodology to measure Value at Risk (VaR). The VaR as at 31 July 2023 was 3.29% (31.07.22: 3.42%).

|         | 31.07.23 | 31.07.22 |
|---------|----------|----------|
| Maximum | 5.97%    | 4.64%    |
| Minimum | 2.95%    | 1.74%    |
| Average | 3.54%    | 3.10%    |

#### What is VaR?

It estimates the worst potential loss in the portfolio within a certain time period and with a certain amount of confidence, using the following criteria:

- Internal Guidelines: 20% absolute VaR (95% confidence) over 20 day timeframe measured each day
- Holding period: 1 month (20 days)
- Observation period: minimum 1 year (250 days)
- 99% confidence implies a breach of 1 out of every 100 twenty day periods

#### If VaR approaches its limit the ACD may:

- Diversify the portfolio
- Reduce the gross exposure
- Hedge part of the portfolio
- Reduce exposure to positions with high marginal VaR contribution

## Notes to the Financial Statements *(continued)*

### 14. Fair Value of Financial Assets and Liabilities

There is no material difference between the carrying value of the financial assets and liabilities, as shown in the Balance sheet, and their fair value.

**The fair value of investments has been determined using the following hierarchy:**

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Level 3: Valuation techniques using unobservable inputs.

| Basis of valuation | Assets<br>£'000 | Liabilities<br>£'000 |
|--------------------|-----------------|----------------------|
| <b>31.07.23</b>    |                 |                      |
| Level 1            | 1,163           | (270)                |
| Level 2            | 186,656         | (765)                |
| Level 3            | –               | –                    |
| <b>Total</b>       | <b>187,819</b>  | <b>(1,035)</b>       |

| Basis of valuation | Assets<br>£'000 | Liabilities<br>£'000 |
|--------------------|-----------------|----------------------|
| <b>31.07.22</b>    |                 |                      |
| Level 1            | 3,870           | –                    |
| Level 2            | 123,825         | (13)                 |
| Level 3            | –               | –                    |
| <b>Total</b>       | <b>127,695</b>  | <b>(13)</b>          |

## Notes to the Financial Statements *(continued)*

### 14. Fair Value of Financial Assets and Liabilities *(continued)*

The majority of financial instruments are classified as level 2: Observable inputs. Instruments classified as level 3: Unobservable data mainly comprise non-market traded and unquoted securities.

Generally for the non-market traded and unquoted securities, where there is no price source from an active market for an investment, the ACD has applied judgement in determining the fair value. The ACD has used several valuation methodologies as prescribed in the International Private Equity and Venture Capital valuation guidelines to arrive at their best estimate of fair value. Valuation techniques used by the ACD are set out in Significant Accounting Policies (j). The fair value is established by using measures of value such as:

- **Price of recent transactions** — Management determine the fair value based on the price of recent transactions made by management or a third party.
- **Milestone analysis** — Management assess the investment company's progress against milestones expected at the time of investment in order to determine whether an adjustment is required to the transaction price to determine fair value.
- **Multiples** — Earnings or Revenue multiples are selected from comparable public companies based on geographic location, industry, size, risk profile, earnings growth prospects, target markets and other factors that management consider reasonable. A discount for lack of liquidity may then be applied to represent the adjustment to comparable company multiples to reflect the illiquidity of the portfolio companies relative to the comparable peer group. Management determines the discount for lack of liquidity based on its judgement, after considering market liquidity conditions and company specific factors such as the development stage of the portfolio company. Among the most common forms of multiples used for cash generating companies are EV/EBITDA and EV/Revenue multiples, generally seen to represent a good proxy for free cash flow and company performance. These are applied where appropriate based on the development of underlying portfolio companies but other inputs such as comparable company share price movements may also be considered.
- **Net assets** — Management determine the fair value based on the net asset value of the underlying portfolio company. In applying the above valuation techniques in arriving at the fair value the ACD has assessed any further information available from internal and external sources to arrive at an estimated fair value, which includes but is not limited to the following:
  - Reference to listed securities of the same company.
  - Consideration of seniority of the securities held and terms of repayment upon realisation.
  - Consideration of any trading restrictions on the investment company's shares that would limit ACD's ability to realise its holding.
  - Consideration of any outstanding payments to be made by ACD.
  - Industry statistics or events (such as mergers and acquisitions).

The fair value of the sub-fund's investment in Hellas Telecom 12.732% 31/12/2025, Maryland Holdco and Lehman Brothers Defaulted 4.625% 14/03/2019 are determined using ACD's estimation of liquidation process and any potential recovery thereon, and taking into account where applicable any factors which may warrant adjustment to the net asset value as part of a robust governance process involving the Valuation and Pricing Committee.



## Notes to the Financial Statements *(continued)*

### 15. Portfolio Transaction Costs

For the year ended 31 July 2023

|  | Bonds<br>£'000 | % | Total<br>£'000 |
|--|----------------|---|----------------|
| <b>31.07.23</b>                            |                |   |                |
| <b>Analysis of total purchases costs</b>   |                |   |                |
| Purchases in year before transaction costs | 171,478        |   | 171,478        |
| Commissions                                | –              | – | –              |
| Expenses and other charges                 | –              | – | –              |
|  | –              |   | –              |
| Purchases including transaction costs      | 171,478        |   | 171,478        |
| <b>Analysis of total sales costs</b>       |                |   |                |
| Sales in year before transaction costs     | 105,680        |   | 105,680        |
| Commissions                                | –              | – | –              |
| Expenses and other charges                 | –              | – | –              |
|  | –              |   | –              |
| Sales net of transaction costs             | 105,680        |   | 105,680        |

Commissions, taxes and expenses and other charges as % of average net assets:

|                            |       |
|----------------------------|-------|
| Commissions                | 0.00% |
| Expenses and other charges | 0.00% |

The average portfolio dealing spread as at the balance sheet date was 0.81%.

## Notes to the Financial Statements *(continued)*

### 15. Portfolio Transaction Costs *(continued)*

For the year ended 31 July 2022

|  | Bonds<br>£'000 | % | Corporate<br>Actions<br>£'000 | % | Derivatives<br>£'000 | % | Total<br>£'000 |
|--|----------------|---|-------------------------------|---|----------------------|---|----------------|
| <b>31.07.22</b>                            |                |   |                               |   |                      |   |                |
| <b>Analysis of total purchases costs</b>   |                |   |                               |   |                      |   |                |
| Purchases in year before transaction costs | 160,866        |   | –                             |   | (12)                 |   | 160,854        |
| Commissions                                | –              | – | –                             | – | –                    | – | –              |
| Expenses and other charges                 | –              | – | –                             | – | –                    | – | –              |
|  | –              |   | –                             |   | –                    |   | –              |
| Purchases including transaction costs      | 160,866        |   | –                             |   | (12)                 |   | 160,854        |
| <b>Analysis of total sales costs</b>       |                |   |                               |   |                      |   |                |
| Sales in year before transaction costs     | 70,122         |   | 1,003                         |   | 123                  |   | 71,248         |
| Commissions                                | –              | – | –                             | – | –                    | – | –              |
| Expenses and other charges                 | –              | – | –                             | – | –                    | – | –              |
|  | –              |   | –                             |   | –                    |   | –              |
| Sales net of transaction costs             | 70,122         |   | 1,003                         |   | 123                  |   | 71,248         |

Commissions, taxes and expenses and other charges as % of average net assets:

|                            |       |
|----------------------------|-------|
| Commissions                | 0.00% |
| Expenses and other charges | 0.00% |

The average portfolio dealing spread as at the balance sheet date was 0.83%.

## Notes to the Financial Statements *(continued)*

### 16. Shareholders' Funds

The net asset value of each share class, net asset value per share and the number of shares in issue are given in the comparative tables for each sub-fund.

The share classes currently in issue and the Fixed Annual Charge of each share class are shown below.

| Share Class           | 31.07.23 | 31.07.22 |
|-----------------------|----------|----------|
| L (GBP) Income        | 1.15%    | 1.15%    |
| L (GBP) Accumulation  | 1.15%    | 1.15%    |
| I (GBP) Income        | 0.65%    | 0.65%    |
| I (GBP) Accumulation  | 0.65%    | 0.65%    |
| P (GBP) Income        | 0.80%    | 0.80%    |
| P (GBP) Accumulation  | 0.80%    | 0.80%    |
| U1 (GBP) Income       | 0.35%    | 0.35%    |
| U1 (GBP) Accumulation | 0.35%    | 0.35%    |
| U2 (GBP) Income*      | 0.65%    | 0.65%    |

| Reconciliation of Shares                  | L (GBP)<br>Income | L (GBP)<br>Accumulation | I (GBP)<br>Income |
|---|-------------------|-------------------------|-------------------|
| Opening number of shares at 1 August 2022 | 15,162,752        | 7,827,585               | 19,729,930        |
| Shares issued in year                     | 12,129,900        | 2,188,415               | 26,138,654        |
| Shares cancelled in year                  | (9,632,788)       | (1,966,880)             | (3,501,247)       |
| Shares converted in year                  | (1,501,796)       | (575,892)               | 637,569           |
| Closing number of shares at 31 July 2023  | 16,158,068        | 7,473,228               | 43,004,906        |

| Reconciliation of Shares                  | I (GBP)<br>Accumulation | P (GBP)<br>Income | P (GBP)<br>Accumulation |
|---|-------------------------|-------------------|-------------------------|
| Opening number of shares at 1 August 2022 | 37,849,854              | 325,362           | 425,739                 |
| Shares issued in year                     | 17,591,821              | 34,629            | 58,633                  |
| Shares cancelled in year                  | (12,761,087)            | (64,096)          | (407,920)               |
| Shares converted in year                  | 398,890                 | –                 | –                       |
| Closing number of shares at 31 July 2023  | 43,079,478              | 295,895           | 76,452                  |

| Reconciliation of Shares                  | U1 (GBP)<br>Income | U1 (GBP)<br>Accumulation | U2 (GBP)<br>Income* |
|---|--------------------|--------------------------|---------------------|
| Opening number of shares at 1 August 2022 | 7,836,967          | 36,281,693               | 429                 |
| Shares issued in year                     | 58,206,798         | 9,533,297                | 6                   |
| Shares cancelled in year                  | (6,725,310)        | (22,336,679)             | (435)               |
| Shares converted in year                  | (87,074)           | (47,443)                 | –                   |
| Closing number of shares at 31 July 2023  | 59,231,381         | 23,430,868               | –                   |

\*The U2 (GBP) Income share class was closed on 8 March 2023.

## Distribution Tables

### For the month ended 31 August 2022

#### FIRST INTERIM

Group 1: Shares purchased prior to 1 August 2022

Group 2: Shares purchased on or after 1 August 2022 to 31 August 2022

|                       | Revenue         | Equalisation    | Distribution paid<br>30.09.22 | Distribution paid<br>30.09.21 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| L (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 0.1648          | –               | 0.1648                        | 0.1657                        |
| Group 2               | 0.0849          | 0.0799          | 0.1648                        | 0.1657                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>30.09.22 | Distribution accumulated<br>30.09.21 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| L (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 0.3778          | –               | 0.3778                               | 0.3622                               |
| Group 2                     | 0.1961          | 0.1817          | 0.3778                               | 0.3622                               |

|                       | Revenue         | Equalisation    | Distribution paid<br>30.09.22 | Distribution paid<br>30.09.21 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| I (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 0.4402          | –               | 0.4402                        | 0.4402                        |
| Group 2               | 0.2498          | 0.1904          | 0.4402                        | 0.4402                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>30.09.22 | Distribution accumulated<br>30.09.21 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| I (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 0.6113          | –               | 0.6113                               | 0.5826                               |
| Group 2                     | 0.3304          | 0.2809          | 0.6113                               | 0.5826                               |

|                       | Revenue         | Equalisation    | Distribution paid<br>30.09.22 | Distribution paid<br>30.09.21 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| P (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 0.4107          | –               | 0.4107                        | 0.4115                        |
| Group 2               | 0.2822          | 0.1285          | 0.4107                        | 0.4115                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>30.09.22 | Distribution accumulated<br>30.09.21 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| P (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 0.7116          | –               | 0.7116                               | 0.6799                               |
| Group 2                     | 0.2232          | 0.4884          | 0.7116                               | 0.6799                               |

## Distribution Tables *(continued)*

### For the month ended 31 August 2022

#### FIRST INTERIM

Group 1: Shares purchased prior to 1 August 2022

Group 2: Shares purchased on or after 1 August 2022 to 31 August 2022

|                        | Revenue         | Equalisation    | Distribution paid<br>30.09.22 | Distribution paid<br>30.09.21 |
|------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| U1 (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                | 0.3917          | –               | 0.3917                        | 0.3907                        |
| Group 2                | 0.2156          | 0.1761          | 0.3917                        | 0.3907                        |

|                              | Revenue         | Equalisation    | Distribution accumulated<br>30.09.22 | Distribution accumulated<br>30.09.21 |
|------------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| U1 (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                      | 0.5591          | –               | 0.5591                               | 0.5316                               |
| Group 2                      | 0.3733          | 0.1858          | 0.5591                               | 0.5316                               |

|                        | Revenue         | Equalisation    | Distribution paid<br>30.09.22 | Distribution paid<br>30.09.21 |
|------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| U2 (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                | 0.4176          | –               | 0.4176                        | 0.4034                        |
| Group 2                | 0.0005          | 0.4171          | 0.4176                        | 0.4034                        |

## Distribution Tables *(continued)*

For the month ended 30 September 2022

### SECOND INTERIM

Group 1: Shares purchased prior to 1 September 2022

Group 2: Shares purchased on or after 1 September 2022 to 30 September 2022

|                       | Revenue         | Equalisation    | Distribution paid<br>31.10.22 | Distribution paid<br>29.10.21 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| L (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 0.1650          | –               | 0.1650                        | 0.1522                        |
| Group 2               | 0.1176          | 0.0474          | 0.1650                        | 0.1522                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>31.10.22 | Distribution accumulated<br>29.10.21 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| L (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 0.3797          | –               | 0.3797                               | 0.3340                               |
| Group 2                     | 0.1342          | 0.2455          | 0.3797                               | 0.3340                               |

|                       | Revenue         | Equalisation    | Distribution paid<br>31.10.22 | Distribution paid<br>29.10.21 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| I (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 0.4407          | –               | 0.4407                        | 0.4046                        |
| Group 2               | 0.1644          | 0.2763          | 0.4407                        | 0.4046                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>31.10.22 | Distribution accumulated<br>29.10.21 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| I (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 0.6148          | –               | 0.6148                               | 0.5380                               |
| Group 2                     | 0.2886          | 0.3262          | 0.6148                               | 0.5380                               |

|                       | Revenue         | Equalisation    | Distribution paid<br>31.10.22 | Distribution paid<br>29.10.21 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| P (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 0.4112          | –               | 0.4112                        | 0.3780                        |
| Group 2               | 0.1384          | 0.2728          | 0.4112                        | 0.3780                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>31.10.22 | Distribution accumulated<br>29.10.21 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| P (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 0.7157          | –               | 0.7157                               | 0.6272                               |
| Group 2                     | 0.4193          | 0.2964          | 0.7157                               | 0.6272                               |

## Distribution Tables *(continued)*

For the month ended 30 September 2022

### SECOND INTERIM

Group 1: Shares purchased prior to 1 September 2022

Group 2: Shares purchased on or after 1 September 2022 to 30 September 2022

|                        | Revenue         | Equalisation    | Distribution paid<br>31.10.22 | Distribution paid<br>29.10.21 |
|------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| U1 (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                | 0.3922          | –               | 0.3922                        | 0.3590                        |
| Group 2                | 0.1128          | 0.2794          | 0.3922                        | 0.3590                        |

|                              | Revenue         | Equalisation    | Distribution accumulated<br>31.10.22 | Distribution accumulated<br>29.10.21 |
|------------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| U1 (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                      | 0.5625          | –               | 0.5625                               | 0.4908                               |
| Group 2                      | 0.2198          | 0.3427          | 0.5625                               | 0.4908                               |

|                        | Revenue         | Equalisation    | Distribution paid<br>31.10.22 | Distribution paid<br>29.10.21 |
|------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| U2 (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                | 0.4018          | –               | 0.4018                        | 0.3706                        |
| Group 2                | 0.0004          | 0.4014          | 0.4018                        | 0.3706                        |

## Distribution Tables *(continued)*

For the month ended 31 October 2022

### THIRD INTERIM

Group 1: Shares purchased prior to 1 October 2022

Group 2: Shares purchased on or after 1 October 2022 to 31 October 2022

|                       | Revenue            | Equalisation       | Distribution paid<br>30.11.22 | Distribution paid<br>30.11.21 |
|-----------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| L (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1               | 0.1538             | –                  | 0.1538                        | 0.1643                        |
| Group 2               | 0.0638             | 0.0900             | 0.1538                        | 0.1643                        |

|                             | Revenue            | Equalisation       | Distribution accumulated<br>30.11.22 | Distribution accumulated<br>30.11.21 |
|-----------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| L (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                     | 0.3559             | –                  | 0.3559                               | 0.3621                               |
| Group 2                     | 0.1760             | 0.1799             | 0.3559                               | 0.3621                               |

|                       | Revenue            | Equalisation       | Distribution paid<br>30.11.22 | Distribution paid<br>30.11.21 |
|-----------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| I (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1               | 0.4112             | –                  | 0.4112                        | 0.4371                        |
| Group 2               | 0.1654             | 0.2458             | 0.4112                        | 0.4371                        |

|                             | Revenue            | Equalisation       | Distribution accumulated<br>30.11.22 | Distribution accumulated<br>30.11.21 |
|-----------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| I (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                     | 0.5763             | –                  | 0.5763                               | 0.5825                               |
| Group 2                     | 0.2694             | 0.3069             | 0.5763                               | 0.5825                               |

|                       | Revenue            | Equalisation       | Distribution paid<br>30.11.22 | Distribution paid<br>30.11.21 |
|-----------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| P (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1               | 0.3836             | –                  | 0.3836                        | 0.4084                        |
| Group 2               | 0.2248             | 0.1588             | 0.3836                        | 0.4084                        |

|                             | Revenue            | Equalisation       | Distribution accumulated<br>30.11.22 | Distribution accumulated<br>30.11.21 |
|-----------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| P (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                     | 0.6707             | –                  | 0.6707                               | 0.6802                               |
| Group 2                     | 0.4163             | 0.2544             | 0.6707                               | 0.6802                               |



## Distribution Tables *(continued)*

For the month ended 31 October 2022

### THIRD INTERIM

Group 1: Shares purchased prior to 1 October 2022

Group 2: Shares purchased on or after 1 October 2022 to 31 October 2022

|                        | Revenue         | Equalisation    | Distribution paid<br>30.11.22 | Distribution paid<br>30.11.21 |
|------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| U1 (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                | 0.3661          | –               | 0.3661                        | 0.3880                        |
| Group 2                | 0.1827          | 0.1834          | 0.3661                        | 0.3880                        |

|                              | Revenue         | Equalisation    | Distribution accumulated<br>30.11.22 | Distribution accumulated<br>30.11.21 |
|------------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| U1 (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                      | 0.5275          | –               | 0.5275                               | 0.5324                               |
| Group 2                      | 0.2854          | 0.2421          | 0.5275                               | 0.5324                               |

|                        | Revenue         | Equalisation    | Distribution paid<br>30.11.22 | Distribution paid<br>30.11.21 |
|------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| U2 (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                | 0.3700          | –               | 0.3700                        | 0.4008                        |
| Group 2                | 0.0005          | 0.3695          | 0.3700                        | 0.4008                        |

## Distribution Tables *(continued)*

For the month ended 30 November 2022

### FOURTH INTERIM

Group 1: Shares purchased prior to 1 November 2022

Group 2: Shares purchased on or after 1 November 2022 to 30 November 2022

|                       | Revenue         | Equalisation    | Distribution paid<br>30.12.22 | Distribution paid<br>31.12.21 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| L (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 0.1527          | –               | 0.1527                        | 0.1474                        |
| Group 2               | 0.0893          | 0.0634          | 0.1527                        | 0.1474                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>30.12.22 | Distribution accumulated<br>31.12.21 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| L (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 0.3549          | –               | 0.3549                               | 0.3260                               |
| Group 2                     | 0.1836          | 0.1713          | 0.3549                               | 0.3260                               |

|                       | Revenue         | Equalisation    | Distribution paid<br>30.12.22 | Distribution paid<br>31.12.21 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| I (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 0.4084          | –               | 0.4084                        | 0.3922                        |
| Group 2               | 0.1853          | 0.2231          | 0.4084                        | 0.3922                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>30.12.22 | Distribution accumulated<br>31.12.21 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| I (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 0.5750          | –               | 0.5750                               | 0.5256                               |
| Group 2                     | 0.2807          | 0.2943          | 0.5750                               | 0.5256                               |

|                       | Revenue         | Equalisation    | Distribution paid<br>30.12.22 | Distribution paid<br>31.12.21 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| P (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 0.3809          | –               | 0.3809                        | 0.3664                        |
| Group 2               | 0.3809          | –               | 0.3809                        | 0.3664                        |

|                             | Revenue         | Equalisation    | Distribution paid<br>30.12.22 | Distribution paid<br>31.12.21 |
|-----------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| P (GBP) Accumulation Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                     | 0.6690          | –               | 0.6690                        | 0.6123                        |
| Group 2                     | 0.6690          | –               | 0.6690                        | 0.6123                        |

## Distribution Tables *(continued)*

For the month ended 30 November 2022

### FOURTH INTERIM

Group 1: Shares purchased prior to 1 November 2022

Group 2: Shares purchased on or after 1 November 2022 to 30 November 2022

|                        | Revenue         | Equalisation    | Distribution paid<br>30.12.22 | Distribution paid<br>31.12.21 |
|------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| U1 (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                | 0.3637          | –               | 0.3637                        | 0.3482                        |
| Group 2                | 0.0790          | 0.2847          | 0.3637                        | 0.3482                        |

|                              | Revenue         | Equalisation    | Distribution accumulated<br>30.12.22 | Distribution accumulated<br>31.12.21 |
|------------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| U1 (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                      | 0.5262          | –               | 0.5262                               | 0.4797                               |
| Group 2                      | 0.3281          | 0.1981          | 0.5262                               | 0.4797                               |

|                        | Revenue         | Equalisation    | Distribution paid<br>30.12.22 | Distribution paid<br>31.12.21 |
|------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| U2 (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                | 0.3677          | –               | 0.3677                        | 0.3601                        |
| Group 2                | 0.3677          | –               | 0.3677                        | 0.3601                        |

## Distribution Tables *(continued)*

For the month ended 31 December 2022

### FIFTH INTERIM

Group 1: Shares purchased prior to 1 December 2022

Group 2: Shares purchased on or after 1 December 2022 to 31 December 2022

|                       | Revenue         | Equalisation    | Distribution paid<br>31.01.23 | Distribution paid<br>31.01.22 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| L (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 0.2043          | –               | 0.2043                        | 0.1578                        |
| Group 2               | 0.1270          | 0.0773          | 0.2043                        | 0.1578                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>31.01.23 | Distribution accumulated<br>31.01.22 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| L (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 0.4764          | –               | 0.4764                               | 0.3502                               |
| Group 2                     | 0.2790          | 0.1974          | 0.4764                               | 0.3502                               |

|                       | Revenue         | Equalisation    | Distribution paid<br>31.01.23 | Distribution paid<br>31.01.22 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| I (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 0.5463          | –               | 0.5463                        | 0.4199                        |
| Group 2               | 0.3540          | 0.1923          | 0.5463                        | 0.4199                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>31.01.23 | Distribution accumulated<br>31.01.22 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| I (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 0.7722          | –               | 0.7722                               | 0.5647                               |
| Group 2                     | 0.4755          | 0.2967          | 0.7722                               | 0.5647                               |

|                       | Revenue         | Equalisation    | Distribution paid<br>31.01.23 | Distribution paid<br>31.01.22 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| P (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 0.5095          | –               | 0.5095                        | 0.3922                        |
| Group 2               | 0.5095          | –               | 0.5095                        | 0.3922                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>31.01.23 | Distribution accumulated<br>31.01.22 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| P (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 0.8988          | –               | 0.8988                               | 0.6581                               |
| Group 2                     | 0.5836          | 0.3152          | 0.8988                               | 0.6581                               |

## Distribution Tables *(continued)*

For the month ended 31 December 2022

### FIFTH INTERIM

Group 1: Shares purchased prior to 1 December 2022

Group 2: Shares purchased on or after 1 December 2022 to 31 December 2022

|                        | Revenue         | Equalisation    | Distribution paid<br>31.01.23 | Distribution paid<br>31.01.22 |
|------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| U1 (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                | 0.4864          | –               | 0.4864                        | 0.3729                        |
| Group 2                | 0.3037          | 0.1827          | 0.4864                        | 0.3729                        |

|                              | Revenue         | Equalisation    | Distribution accumulated<br>31.01.23 | Distribution accumulated<br>31.01.22 |
|------------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| U1 (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                      | 0.7072          | –               | 0.7072                               | 0.5155                               |
| Group 2                      | 0.4010          | 0.3062          | 0.7072                               | 0.5155                               |

|                        | Revenue         | Equalisation    | Distribution paid<br>31.01.23 | Distribution paid<br>31.01.22 |
|------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| U2 (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                | 0.4850          | –               | 0.4850                        | 0.3848                        |
| Group 2                | 0.4850          | –               | 0.4850                        | 0.3848                        |

## Distribution Tables *(continued)*

For the month ended 31 January 2023

### SIXTH INTERIM

Group 1: Shares purchased prior to 1 January 2023

Group 2: Shares purchased on or after 1 January 2023 to 31 January 2023

|                       | Revenue            | Equalisation       | Distribution paid<br>28.02.23 | Distribution paid<br>28.02.22 |
|-----------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| L (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1               | 0.1856             | –                  | 0.1856                        | 0.1603                        |
| Group 2               | 0.0747             | 0.1109             | 0.1856                        | 0.1603                        |

|                             | Revenue            | Equalisation       | Distribution accumulated<br>28.02.23 | Distribution accumulated<br>28.02.22 |
|-----------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| L (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                     | 0.4355             | –                  | 0.4355                               | 0.3571                               |
| Group 2                     | 0.1524             | 0.2831             | 0.4355                               | 0.3571                               |

|                       | Revenue            | Equalisation       | Distribution paid<br>28.02.23 | Distribution paid<br>28.02.22 |
|-----------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| I (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1               | 0.4967             | –                  | 0.4967                        | 0.4268                        |
| Group 2               | 0.0904             | 0.4063             | 0.4967                        | 0.4268                        |

|                             | Revenue            | Equalisation       | Distribution accumulated<br>28.02.23 | Distribution accumulated<br>28.02.22 |
|-----------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| I (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                     | 0.7063             | –                  | 0.7063                               | 0.5762                               |
| Group 2                     | 0.3475             | 0.3588             | 0.7063                               | 0.5762                               |

|                       | Revenue            | Equalisation       | Distribution paid<br>28.02.23 | Distribution paid<br>28.02.22 |
|-----------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| P (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1               | 0.4632             | –                  | 0.4632                        | 0.3986                        |
| Group 2               | 0.0812             | 0.3820             | 0.4632                        | 0.3986                        |

|                             | Revenue            | Equalisation       | Distribution accumulated<br>28.02.23 | Distribution accumulated<br>28.02.22 |
|-----------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| P (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                     | 0.8216             | –                  | 0.8216                               | 0.6715                               |
| Group 2                     | 0.1933             | 0.6283             | 0.8216                               | 0.6715                               |

## Distribution Tables *(continued)*

For the month ended 31 January 2023

### SIXTH INTERIM

Group 1: Shares purchased prior to 1 January 2023

Group 2: Shares purchased on or after 1 January 2022 to 31 January 2023

|                        | Revenue         | Equalisation    | Distribution paid<br>28.02.23 | Distribution paid<br>28.02.22 |
|------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| U1 (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                | 0.4426          | –               | 0.4426                        | 0.3791                        |
| Group 2                | 0.0999          | 0.3427          | 0.4426                        | 0.3791                        |

|                              | Revenue         | Equalisation    | Distribution accumulated<br>28.02.23 | Distribution accumulated<br>28.02.22 |
|------------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| U1 (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                      | 0.6467          | –               | 0.6467                               | 0.5261                               |
| Group 2                      | 0.3080          | 0.3387          | 0.6467                               | 0.5261                               |

|                        | Revenue         | Equalisation    | Distribution paid<br>28.02.23 | Distribution paid<br>28.02.22 |
|------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| U2 (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                | 0.4551          | –               | 0.4551                        | 0.3911                        |
| Group 2                | 0.4551          | –               | 0.4551                        | 0.3911                        |

## Distribution Tables *(continued)*

For the month ended 28 February 2023

### SEVENTH INTERIM

Group 1: Shares purchased prior to 1 February 2023

Group 2: Shares purchased on or after 1 February 2023 to 28 February 2023

|                       | Revenue         | Equalisation    | Distribution paid<br>31.03.23 | Distribution paid<br>31.03.22 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| L (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 0.1802          | –               | 0.1802                        | 0.1408                        |
| Group 2               | 0.0930          | 0.0872          | 0.1802                        | 0.1408                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>31.03.23 | Distribution accumulated<br>31.03.22 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| L (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 0.4250          | –               | 0.4250                               | 0.3150                               |
| Group 2                     | 0.2321          | 0.1929          | 0.4250                               | 0.3150                               |

|                       | Revenue         | Equalisation    | Distribution paid<br>31.03.23 | Distribution paid<br>31.03.22 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| I (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 0.4826          | –               | 0.4826                        | 0.3752                        |
| Group 2               | 0.2326          | 0.2500          | 0.4826                        | 0.3752                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>31.03.23 | Distribution accumulated<br>31.03.22 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| I (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 0.6895          | –               | 0.6895                               | 0.5085                               |
| Group 2                     | 0.3862          | 0.3033          | 0.6895                               | 0.5085                               |

|                       | Revenue         | Equalisation    | Distribution paid<br>31.03.23 | Distribution paid<br>31.03.22 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| P (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 0.4491          | –               | 0.4491                        | 0.3504                        |
| Group 2               | 0.4491          | –               | 0.4491                        | 0.3504                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>31.03.23 | Distribution accumulated<br>31.03.22 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| P (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 0.8007          | –               | 0.8007                               | 0.5923                               |
| Group 2                     | 0.2740          | 0.5267          | 0.8007                               | 0.5923                               |



## Distribution Tables *(continued)*

For the month ended 28 February 2023

### SEVENTH INTERIM

Group 1: Shares purchased prior to 1 February 2023

Group 2: Shares purchased on or after 1 February 2023 to 28 February 2023

|                        | Revenue         | Equalisation    | Distribution paid<br>31.03.23 | Distribution paid<br>31.03.22 |
|------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| U1 (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                | 0.4300          | –               | 0.4300                        | 0.3334                        |
| Group 2                | 0.2239          | 0.2061          | 0.4300                        | 0.3334                        |

|                              | Revenue         | Equalisation    | Distribution accumulated<br>31.03.23 | Distribution accumulated<br>31.03.22 |
|------------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| U1 (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                      | 0.6315          | –               | 0.6315                               | 0.4644                               |
| Group 2                      | 0.2882          | 0.3433          | 0.6315                               | 0.4644                               |

|                        | Revenue         | Equalisation    | Distribution paid<br>31.03.23 | Distribution paid<br>31.03.22 |
|------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| U2 (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                | 0.4321          | –               | 0.4321                        | 0.3437                        |
| Group 2                | 0.4321          | –               | 0.4321                        | 0.3437                        |

## Distribution Tables *(continued)*

For the month ended 31 March 2023

### EIGHTH INTERIM

Group 1: Shares purchased prior to 1 March 2023

Group 2: Shares purchased on or after 1 March 2023 to 31 March 2023

|                       | Revenue         | Equalisation    | Distribution paid<br>28.04.23 | Distribution paid<br>30.04.22 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| L (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 0.1974          | –               | 0.1974                        | 0.1598                        |
| Group 2               | 0.1477          | 0.0497          | 0.1974                        | 0.1598                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>28.04.23 | Distribution accumulated<br>30.04.22 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| L (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 0.4653          | –               | 0.4653                               | 0.3592                               |
| Group 2                     | 0.1951          | 0.2702          | 0.4653                               | 0.3592                               |

|                       | Revenue         | Equalisation    | Distribution paid<br>28.04.23 | Distribution paid<br>30.04.22 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| I (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 0.5264          | –               | 0.5264                        | 0.4264                        |
| Group 2               | 0.1838          | 0.3426          | 0.5264                        | 0.4264                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>28.04.23 | Distribution accumulated<br>30.04.22 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| I (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 0.7555          | –               | 0.7555                               | 0.5797                               |
| Group 2                     | 0.2944          | 0.4611          | 0.7555                               | 0.5797                               |

|                       | Revenue         | Equalisation    | Distribution paid<br>28.04.23 | Distribution paid<br>30.04.22 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| P (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 0.4915          | –               | 0.4915                        | 0.3982                        |
| Group 2               | 0.1406          | 0.3509          | 0.4915                        | 0.3982                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>28.04.23 | Distribution accumulated<br>30.04.22 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| P (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 0.8865          | –               | 0.8865                               | 0.6754                               |
| Group 2                     | 0.8158          | 0.0707          | 0.8865                               | 0.6754                               |

## Distribution Tables *(continued)*

For the month ended 31 March 2023

### EIGHTH INTERIM

Group 1: Shares purchased prior to 1 March 2023

Group 2: Shares purchased on or after 1 March 2023 to 31 March 2023

|                        | Revenue         | Equalisation    | Distribution paid<br>28.04.23 | Distribution paid<br>30.04.22 |
|------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| U1 (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                | 0.4690          | –               | 0.4690                        | 0.3793                        |
| Group 2                | 0.2502          | 0.2188          | 0.4690                        | 0.3793                        |

|                              | Revenue         | Equalisation    | Distribution accumulated<br>28.04.23 | Distribution accumulated<br>30.04.22 |
|------------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| U1 (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                      | 0.6923          | –               | 0.6923                               | 0.5289                               |
| Group 2                      | 0.2822          | 0.4101          | 0.6923                               | 0.5289                               |

|                         | Revenue         | Equalisation    | Distribution payable<br>28.04.23 | Distribution paid<br>30.04.22 |
|-------------------------|-----------------|-----------------|----------------------------------|-------------------------------|
| U2 (GBP) Income Shares* | pence per share | pence per share | pence per share                  | pence per share               |
| Group 1                 | –               | –               | –                                | 0.4483                        |
| Group 2                 | –               | –               | –                                | 0.4483                        |

\*The U2 (GBP) Income share class was closed on 8 March 2023.

## Distribution Tables *(continued)*

### For the month ended 30 April 2023

#### NINTH INTERIM

Group 1: Shares purchased prior to 1 April 2023

Group 2: Shares purchased on or after 1 April 2023 to 30 April 2023

|                       | Revenue            | Equalisation       | Distribution paid<br>31.05.23 | Distribution paid<br>31.05.22 |
|-----------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| L (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1               | 0.2048             | –                  | 0.2048                        | 0.1599                        |
| Group 2               | 0.1496             | 0.0552             | 0.2048                        | 0.1599                        |

|                             | Revenue            | Equalisation       | Distribution accumulated<br>31.05.23 | Distribution accumulated<br>31.05.22 |
|-----------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| L (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                     | 0.4881             | –                  | 0.4881                               | 0.3605                               |
| Group 2                     | 0.2547             | 0.2334             | 0.4881                               | 0.3605                               |

|                       | Revenue            | Equalisation       | Distribution paid<br>31.05.23 | Distribution paid<br>31.05.22 |
|-----------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| I (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1               | 0.5487             | –                  | 0.5487                        | 0.4265                        |
| Group 2               | 0.4528             | 0.0959             | 0.5487                        | 0.4265                        |

|                             | Revenue            | Equalisation       | Distribution accumulated<br>31.05.23 | Distribution accumulated<br>31.05.22 |
|-----------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| I (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                     | 0.7924             | –                  | 0.7924                               | 0.5825                               |
| Group 2                     | 0.4148             | 0.3776             | 0.7924                               | 0.5825                               |

|                       | Revenue            | Equalisation       | Distribution paid<br>31.05.23 | Distribution paid<br>31.05.22 |
|-----------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| P (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1               | 0.5116             | –                  | 0.5116                        | 0.3983                        |
| Group 2               | 0.3182             | 0.1934             | 0.5116                        | 0.3983                        |

|                             | Revenue            | Equalisation       | Distribution accumulated<br>31.05.23 | Distribution accumulated<br>31.05.22 |
|-----------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| P (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                     | 0.9215             | –                  | 0.9215                               | 0.6783                               |
| Group 2                     | 0.8165             | 0.1050             | 0.9215                               | 0.6783                               |

## Distribution Tables *(continued)*

For the month ended 30 April 2023

### NINTH INTERIM

Group 1: Shares purchased prior to 1 April 2023

Group 2: Shares purchased on or after 1 April 2023 to 30 April 2023

|                        | Revenue            | Equalisation       | Distribution paid<br>31.05.23 | Distribution paid<br>31.05.22 |
|------------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| U1 (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1                | 0.4893             | –                  | 0.4893                        | 0.3793                        |
| Group 2                | 0.2933             | 0.1960             | 0.4893                        | 0.3793                        |

|                              | Revenue            | Equalisation       | Distribution accumulated<br>31.05.23 | Distribution accumulated<br>31.05.22 |
|------------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| U1 (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                      | 0.7262             | –                  | 0.7262                               | 0.5323                               |
| Group 2                      | 0.4507             | 0.2755             | 0.7262                               | 0.5323                               |

|                         | Revenue            | Equalisation       | Distribution payable<br>31.05.23 | Distribution paid<br>31.05.22 |
|-------------------------|--------------------|--------------------|----------------------------------|-------------------------------|
| U2 (GBP) Income Shares* | pence<br>per share | pence<br>per share | pence<br>per share               | pence<br>per share            |
| Group 1                 | –                  | –                  | –                                | 0.4108                        |
| Group 2                 | –                  | –                  | –                                | 0.4108                        |

\*The U2 (GBP) Income share class was closed on 8 March 2023.

## Distribution Tables *(continued)*

### For the month ended 31 May 2023

#### TENTH INTERIM

Group 1: Shares purchased prior to 1 May 2023

Group 2: Shares purchased on or after 1 May 2023 to 31 May 2023

|                       | Revenue            | Equalisation       | Distribution paid<br>30.06.23 | Distribution paid<br>30.06.22 |
|-----------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| L (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1               | 0.1933             | –                  | 0.1933                        | 0.1625                        |
| Group 2               | 0.0725             | 0.1208             | 0.1933                        | 0.1625                        |

|                             | Revenue            | Equalisation       | Distribution accumulated<br>30.06.23 | Distribution accumulated<br>30.06.22 |
|-----------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| L (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                     | 0.4631             | –                  | 0.4631                               | 0.3677                               |
| Group 2                     | 0.2891             | 0.1740             | 0.4631                               | 0.3677                               |

|                       | Revenue            | Equalisation       | Distribution paid<br>30.06.23 | Distribution paid<br>30.06.22 |
|-----------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| I (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1               | 0.5180             | –                  | 0.5180                        | 0.4334                        |
| Group 2               | 0.2779             | 0.2401             | 0.5180                        | 0.4334                        |

|                             | Revenue            | Equalisation       | Distribution accumulated<br>30.06.23 | Distribution accumulated<br>30.06.22 |
|-----------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| I (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                     | 0.7523             | –                  | 0.7523                               | 0.5942                               |
| Group 2                     | 0.3345             | 0.4178             | 0.7523                               | 0.5942                               |

|                       | Revenue            | Equalisation       | Distribution paid<br>30.06.23 | Distribution paid<br>30.06.22 |
|-----------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| P (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1               | 0.4829             | –                  | 0.4829                        | 0.4045                        |
| Group 2               | 0.3206             | 0.1623             | 0.4829                        | 0.4045                        |

|                             | Revenue            | Equalisation       | Distribution accumulated<br>30.06.23 | Distribution accumulated<br>30.06.22 |
|-----------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| P (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                     | 0.8747             | –                  | 0.8747                               | 0.6920                               |
| Group 2                     | 0.5743             | 0.3004             | 0.8747                               | 0.6920                               |

## Distribution Tables *(continued)*

For the month ended 31 May 2023

### TENTH INTERIM

Group 1: Shares purchased prior to 1 May 2023

Group 2: Shares purchased on or after 1 May 2023 to 31 May 2023

|                        | Revenue         | Equalisation    | Distribution paid<br>30.06.23 | Distribution paid<br>30.06.22 |
|------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| U1 (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                | 0.4620          | –               | 0.4620                        | 0.3853                        |
| Group 2                | 0.2474          | 0.2146          | 0.4620                        | 0.3853                        |

|                              | Revenue         | Equalisation    | Distribution accumulated<br>30.06.23 | Distribution accumulated<br>30.06.22 |
|------------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| U1 (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                      | 0.6897          | –               | 0.6897                               | 0.5431                               |
| Group 2                      | 0.3557          | 0.3340          | 0.6897                               | 0.5431                               |

|                         | Revenue         | Equalisation    | Distribution payable<br>30.06.23 | Distribution paid<br>30.06.22 |
|-------------------------|-----------------|-----------------|----------------------------------|-------------------------------|
| U2 (GBP) Income Shares* | pence per share | pence per share | pence per share                  | pence per share               |
| Group 1                 | –               | –               | –                                | 0.3949                        |
| Group 2                 | –               | –               | –                                | 0.3949                        |

\*The U2 (GBP) Income share class was closed on 8 March 2023.

## Distribution Tables *(continued)*

For the month ended 30 June 2023

### ELEVENTH INTERIM

Group 1: Shares purchased prior to 1 June 2023

Group 2: Shares purchased on or after 1 June 2023 to 30 June 2023

|                       | Revenue            | Equalisation       | Distribution paid<br>31.07.23 | Distribution paid<br>29.07.22 |
|-----------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| L (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1               | 0.1903             | –                  | 0.1903                        | 0.1647                        |
| Group 2               | 0.1220             | 0.0683             | 0.1903                        | 0.1647                        |

|                             | Revenue            | Equalisation       | Distribution accumulated<br>31.07.23 | Distribution accumulated<br>29.07.22 |
|-----------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| L (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                     | 0.4587             | –                  | 0.4587                               | 0.3744                               |
| Group 2                     | 0.2478             | 0.2109             | 0.4587                               | 0.3744                               |

|                       | Revenue            | Equalisation       | Distribution paid<br>31.07.23 | Distribution paid<br>29.07.22 |
|-----------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| I (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1               | 0.5105             | –                  | 0.5105                        | 0.4396                        |
| Group 2               | 0.2225             | 0.2880             | 0.5105                        | 0.4396                        |

|                             | Revenue            | Equalisation       | Distribution accumulated<br>31.07.23 | Distribution accumulated<br>29.07.22 |
|-----------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| I (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                     | 0.7453             | –                  | 0.7453                               | 0.6054                               |
| Group 2                     | 0.3711             | 0.3742             | 0.7453                               | 0.6054                               |

|                       | Revenue            | Equalisation       | Distribution paid<br>31.07.23 | Distribution paid<br>29.07.22 |
|-----------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| P (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1               | 0.4757             | –                  | 0.4757                        | 0.4103                        |
| Group 2               | 0.2839             | 0.1918             | 0.4757                        | 0.4103                        |

|                             | Revenue            | Equalisation       | Distribution accumulated<br>31.07.23 | Distribution accumulated<br>29.07.22 |
|-----------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| P (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                     | 0.8667             | –                  | 0.8667                               | 0.7049                               |
| Group 2                     | 0.5055             | 0.3612             | 0.8667                               | 0.7049                               |



## Distribution Tables *(continued)*

For the month ended 30 June 2023

### ELEVENTH INTERIM

Group 1: Shares purchased prior to 1 June 2023

Group 2: Shares purchased on or after 1 June 2023 to 30 June 2023

|                        | Revenue         | Equalisation    | Distribution paid<br>31.07.23 | Distribution paid<br>29.07.22 |
|------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| U1 (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                | 0.4554          | –               | 0.4554                        | 0.3910                        |
| Group 2                | 0.3015          | 0.1539          | 0.4554                        | 0.3910                        |

|                              | Revenue         | Equalisation    | Distribution accumulated<br>31.07.23 | Distribution accumulated<br>29.07.22 |
|------------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| U1 (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                      | 0.6835          | –               | 0.6835                               | 0.5535                               |
| Group 2                      | 0.3559          | 0.3276          | 0.6835                               | 0.5535                               |

|                         | Revenue         | Equalisation    | Distribution payable<br>31.07.23 | Distribution paid<br>29.07.22 |
|-------------------------|-----------------|-----------------|----------------------------------|-------------------------------|
| U2 (GBP) Income Shares* | pence per share | pence per share | pence per share                  | pence per share               |
| Group 1                 | –               | –               | –                                | 0.4025                        |
| Group 2                 | –               | –               | –                                | 0.4025                        |

\*The U2 (GBP) Income share class was closed on 8 March 2023.

## Distribution Tables *(continued)*

### For the month ended 31 July 2023

#### FINAL

Group 1: Shares purchased prior to 1 July 2023

Group 2: Shares purchased on or after 1 July 2023 to 31 July 2023

|                       | Revenue            | Equalisation       | Distribution paid<br>31.08.23 | Distribution paid<br>31.08.22 |
|-----------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| L (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1               | 0.2057             | –                  | 0.2057                        | 0.1541                        |
| Group 2               | 0.1114             | 0.0943             | 0.2057                        | 0.1541                        |

|                             | Revenue            | Equalisation       | Distribution to<br>accumulation<br>31.08.23 | Distribution<br>accumulation<br>31.08.22 |
|-----------------------------|--------------------|--------------------|---|--|
| L (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                          | pence<br>per share                       |
| Group 1                     | 0.4982             | –                  | 0.4982                                      | 0.3518                                   |
| Group 2                     | 0.2077             | 0.2905             | 0.4982                                      | 0.3518                                   |

|                       | Revenue            | Equalisation       | Distribution paid<br>31.08.23 | Distribution paid<br>31.08.22 |
|-----------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| I (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1               | 0.5517             | –                  | 0.5517                        | 0.4113                        |
| Group 2               | 0.2515             | 0.3002             | 0.5517                        | 0.4113                        |

|                             | Revenue            | Equalisation       | Distribution to<br>accumulation<br>31.08.23 | Distribution<br>accumulation<br>31.08.22 |
|-----------------------------|--------------------|--------------------|---|--|
| I (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                          | pence<br>per share                       |
| Group 1                     | 0.8099             | –                  | 0.8099                                      | 0.5687                                   |
| Group 2                     | 0.3036             | 0.5063             | 0.8099                                      | 0.5687                                   |

|                       | Revenue            | Equalisation       | Distribution paid<br>31.08.23 | Distribution paid<br>31.08.22 |
|-----------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| P (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1               | 0.5141             | –                  | 0.5141                        | 0.3839                        |
| Group 2               | 0.3502             | 0.1639             | 0.5141                        | 0.3839                        |

|                             | Revenue            | Equalisation       | Distribution to<br>accumulation<br>31.08.23 | Distribution<br>accumulation<br>31.08.22 |
|-----------------------------|--------------------|--------------------|---|--|
| P (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                          | pence<br>per share                       |
| Group 1                     | 0.9415             | –                  | 0.9415                                      | 0.6624                                   |
| Group 2                     | 0.6339             | 0.3076             | 0.9415                                      | 0.6624                                   |

## Distribution Tables *(continued)*

### For the month ended 31 July 2023

#### FINAL

Group 1: Shares purchased prior to 1 July 2023

Group 2: Shares purchased on or after 1 July 2023 to 31 July 2023

|                        | Revenue         | Equalisation    | Distribution paid<br>31.08.23 | Distribution paid<br>31.08.22 |
|------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| U1 (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                | 0.4922          | –               | 0.4922                        | 0.3660                        |
| Group 2                | 0.2337          | 0.2585          | 0.4922                        | 0.3660                        |

|                              | Revenue         | Equalisation    | Distribution to accumulation<br>31.08.23 | Distribution accumulation<br>31.08.22 |
|------------------------------|-----------------|-----------------|--|---------------------------------------|
| U1 (GBP) Accumulation Shares | pence per share | pence per share | pence per share                          | pence per share                       |
| Group 1                      | 0.7428          | –               | 0.7428                                   | 0.5203                                |
| Group 2                      | 0.3848          | 0.3580          | 0.7428                                   | 0.5203                                |

|                         | Revenue         | Equalisation    | Distribution payable<br>31.08.23 | Distribution paid<br>31.08.22 |
|-------------------------|-----------------|-----------------|----------------------------------|-------------------------------|
| U2 (GBP) Income Shares* | pence per share | pence per share | pence per share                  | pence per share               |
| Group 1                 | –               | –               | –                                | 0.3821                        |
| Group 2                 | –               | –               | –                                | 0.3821                        |

\*The U2 (GBP) Income share class was closed on 8 March 2023.

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of revenue included in the purchase price of all Group 2 shares and is refunded to holders of these shares as a return of capital. Being capital, it is not liable to Income Tax but must be deducted from the cost of shares for Capital Gains Tax purposes.

## Jupiter UK Alpha Fund

### Cumulative Performance (% change to 31 July 2023)

|                                      | 1 year | 3 years | 5 years | 10 years |
|--------------------------------------|--------|---------|---------|----------|
| Jupiter UK Alpha*                    | 10.1   | 49.7    | 20.4    | 66.7     |
| FTSE All-Share Index (Benchmark)     | 6.1    | 41.8    | 18.1    | 71.1     |
| IA UK All Companies (Sector Average) | 2.8    | 29.5    | 9.5     | 62.9     |
| Quartile Ranking                     | 1st    | 1st     | 1st     | 3rd      |

\*Source: Morningstar, gross income reinvested net of fees, in GBP. The statistics disclosed above relate to I-Class Shares unless otherwise stated. Past performance is no guide to the future.

### Investment Objective and Policy

To achieve capital growth. In seeking to achieve its investment objective the sub-fund will aim to deliver a return, net of fees, greater than that of the FTSE All-Share Index over rolling 3 year periods.

The sub-fund primarily invests (at least 70%) in a portfolio of UK equities. UK equities are equities of companies domiciled or incorporated in the UK, or that conduct a significant part of their business in the UK.

The sub-fund may also invest in other transferable securities, units in collective investment schemes (including those managed or operated by the ACD or an associate of the ACD), warrants, money market instruments, deposits and derivatives, and may hold cash.

The sub-fund maintains a concentrated, high conviction portfolio consisting of companies which the Investment Adviser believes are undervalued relative to their growth prospects.

The sub-fund may use derivatives for Efficient Portfolio Management purposes only. The ACD considers that the use of derivatives for this purpose is not likely to affect the volatility or risk profile of the sub-fund.

### Market Review

The period under review began with a continuation of the equity market falls which characterised the first nine months of 2022, under pressure from persistently high rates of inflation and equally consistent rises in interest rates by the central banks of the US, UK and Europe. Investor hopes of an end to interest rate tightening were dashed throughout the period, as core rates of inflation and wage inflation were stubbornly high even as headline rates of inflation eased as energy prices fell.

The UK market also suffered the brief premiership of Liz Truss and her Chancellor Kwasi Kwarteng's disastrous expansionary Budget, with the gilt market reacting with horror to its unfunded tax cuts. Their replacement by Rishi Sunak and Jeremy Hunt, revoking the fiscal easing, restored equanimity. This, and the fact that by the fourth quarter of 2022 too much bad news was reflected in share prices, saw equity markets begin to rally, led by more cyclical sectors which had suffered the largest valuation contraction.

The rally continued at a more moderate pace for the rest of the period under review, despite a wobble in March 2023 as several US banks failed and Credit Suisse was rescued by UBS in a deal engineered by the Swiss authorities. Despite persistent fears of the UK economy falling into a recession, a strong labour market and wage growth sustained consumer spending throughout the year, albeit activity in the housing market slowed materially as mortgage rates rose alongside gilt yields.

### Policy Review

The sub-fund's focus on long-term investment in companies with strong balance sheets, good management and an ability to grow market share paid off over the year, with the sub-fund gaining 10.1% against a rise for the FTSE All Share Index of 6.1%. Leading the positive contributors was longstanding holding Whitbread, the owner of leading budget hotel chain Premier Inn, which continued to gain share against rivals amidst the continued contraction of small independent operators.

## Policy Review *(continued)*

Despite initial market concerns over Melrose's decision to change its 'buy – improve – sell' model to demerge its auto manufacturing business to focus on its aerospace division, the scale of profits upgrades to the latter after demerger meant it was the second-biggest contributor to performance over the year. Software company Microfocus gained as it was bought by a Canadian competitor, whilst fellow software business Sage responded well to clear evidence of its return to strong growth.

There were a few main detractors from performance. Biomass-sourced energy producer Drax lagged after strong gains in the prior period as UK Government support for its carbon capture and storage project grew more protracted. Wealth manager St James's Place was weak as inflows slowed and ahead of the new Consumer Duty regulation it cut fees on selected products. Not holding HSBC detracted as it performed more strongly than preferred bank holdings Lloyds and Barclays.

Several holdings were trimmed after strong gains – Shell, Glencore, Burberry – and one new position was started in cyber security software company Darktrace. This relatively recently listed business has been deemed controversial as one of its co-founders is former Autonomy CEO Dr Mike Lynch, currently extradited to the US to face fraud charges over Hewlett Packard's acquisition of Autonomy. However, whilst a shareholder, he has no management or advisory role, and our due diligence was confirmed by an independent audit investigation into the company by EY giving it a clean bill of health. Its valuation is materially lower than its growth rate would merit.

## Investment Outlook

Inflation, interest rates and economic activity will determine the future direction of equity markets. Core rates of inflation and persistently elevated levels of wage growth – on track in the UK to spend a third consecutive year at or above 6% mean central banks maintain a bias towards further interest rate tightening and no early move to cut rates.

Consumer spending in the US and UK remain buoyant, even if housing transactions in both countries have fallen materially as interest rates and bond yields have risen. Wage growth so exceeds central bank inflation targets of 2% that even if economic activity does slow significantly, it is hard to see central banks easing policy unless a material rise in unemployment curbs wage inflation.

The absence of easier monetary policy to some extent caps the upside for markets keen to benefit from the liquidity this would create. Indeed further progress on quantitative tightening, as central banks unwind their holdings of government bonds, alongside high levels of government debt issuance, suggest the liquidity environment will remain tight. But companies continue to innovate, seek to mitigate rising input and wage costs, raise prices and protect margins. Meanwhile, the international 'subsidy war' to fund the energy transition means there are opportunities for many to benefit from such fiscal largesse.

We remain confident in the ability of our holdings to create value for shareholders even if the economic headwinds stiffen over the coming year.

August 2023

## Risk and Reward Profile



The calculated risk and reward category, as shown above, uses a method of calculation derived from EU rules. It is based on the rate at which the returns of the sub-fund have moved up and down in the past (i.e. volatility) and is not a guide to the future risk and reward category of the sub-fund. The category shown is not a target or guarantee and may shift over time. Even the lowest category 1 does not mean a risk-free investment. The seven-category scale is nonlinear, for example, 2 is not twice as risky as 1.

Sub-funds in category 6 have in the past shown relatively high volatility. With a sub-fund of category 6, you have a relatively high risk of losing money but your chance for gains is also relatively high.

## Comparative Tables

| Change in net asset per share       |                 |                 |                 |                 |                 |                 |
|-------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|                                     | L (GBP) Income  |                 |                 | I (GBP) Income  |                 |                 |
|                                     | 31.07.23<br>(p) | 31.07.22<br>(p) | 31.07.21<br>(p) | 31.07.23<br>(p) | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share   | 114.68          | 119.17          | 90.14           | 123.37          | 127.23          | 95.53           |
| Return before operating charges*    | 12.28           | 1.38            | 33.16           | 13.28           | 1.46            | 35.22           |
| Operating charges                   | (1.88)          | (1.92)          | (1.74)          | (1.08)          | (1.09)          | (0.97)          |
| Return after operating charges*     | 10.40           | (0.54)          | 31.42           | 12.20           | 0.37            | 34.25           |
| Distributions on income shares      | (4.13)          | (3.95)          | (2.39)          | (4.46)          | (4.23)          | (2.55)          |
| Closing net asset value per share   | 120.95          | 114.68          | 119.17          | 131.11          | 123.37          | 127.23          |
| *after direct transaction costs of: | 0.03            | 0.06            | 0.02            | 0.03            | 0.06            | 0.02            |
| Performance                         |                 |                 |                 |                 |                 |                 |
| Return after charges (%)            | 9.07            | (0.45)          | 34.86           | 9.89            | 0.29            | 35.85           |
| Other Information                   |                 |                 |                 |                 |                 |                 |
| Closing net asset value (£'000)     | 3,585           | 3,861           | 4,370           | 13,864          | 13,634          | 18,626          |
| Closing number of shares            | 2,964,071       | 3,366,330       | 3,666,922       | 10,574,219      | 11,051,653      | 14,639,652      |
| Operating charges (%)               | 1.60            | 1.60            | 1.60            | 0.85            | 0.85            | 0.85            |
| Direct transaction costs (%)        | 0.02            | 0.05            | 0.02            | 0.02            | 0.05            | 0.02            |
| Prices                              |                 |                 |                 |                 |                 |                 |
| Highest share price (p)             | 126.69          | 128.06          | 124.50          | 136.83          | 137.21          | 132.80          |
| Lowest share price (p)              | 101.65          | 109.15          | 88.16           | 109.52          | 117.35          | 93.60           |

| Change in net asset per share       |                 |                 |                 |                 |                 |                 |
|-------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|                                     | P (GBP) Income  |                 |                 | U1 (GBP) Income |                 |                 |
|                                     | 31.07.23<br>(p) | 31.07.22<br>(p) | 31.07.21<br>(p) | 31.07.23<br>(p) | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share   | 99.39           | 102.76          | 77.34           | 121.14          | 124.84          | 93.65           |
| Return before operating charges*    | 10.68           | 1.18            | 28.51           | 13.05           | 1.44            | 34.57           |
| Operating charges                   | (1.12)          | (1.14)          | (1.03)          | (0.97)          | (0.98)          | (0.88)          |
| Return after operating charges*     | 9.56            | 0.04            | 27.48           | 12.08           | 0.46            | 33.69           |
| Distributions on income shares      | (3.59)          | (3.41)          | (2.06)          | (4.38)          | (4.16)          | (2.50)          |
| Closing net asset value per share   | 105.36          | 99.39           | 102.76          | 128.84          | 121.14          | 124.84          |
| *after direct transaction costs of: | 0.02            | 0.05            | 0.02            | 0.03            | 0.06            | 0.02            |
| Performance                         |                 |                 |                 |                 |                 |                 |
| Return after charges (%)            | 9.62            | 0.04            | 35.53           | 9.97            | 0.37            | 35.97           |
| Other Information                   |                 |                 |                 |                 |                 |                 |
| Closing net asset value (£'000)     | 2,176           | 2,364           | 2,528           | 56,695          | 74,926          | 102,635         |
| Closing number of shares            | 2,065,580       | 2,378,324       | 2,460,412       | 44,005,273      | 61,851,111      | 82,213,735      |
| Operating charges (%)               | 1.10            | 1.10            | 1.10            | 0.775           | 0.775           | 0.775           |
| Direct transaction costs (%)        | 0.02            | 0.05            | 0.02            | 0.02            | 0.05            | 0.02            |
| Prices                              |                 |                 |                 |                 |                 |                 |
| Highest share price (p)             | 110.09          | 110.69          | 107.30          | 134.41          | 134.67          | 130.30          |
| Lowest share price (p)              | 88.19           | 94.56           | 75.74           | 107.56          | 115.23          | 91.79           |

## Comparative Tables *(continued)*

| Change in net asset per share       |                 |                 |                 |
|-------------------------------------|-----------------|-----------------|-----------------|
|                                     | U2 (GBP) Income |                 |                 |
|                                     | 31.07.23<br>(p) | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share   | 117.91          | 121.42          | 91.02           |
| Return before operating charges*    | 12.71           | 1.39            | 33.58           |
| Operating charges                   | (0.85)          | (0.86)          | (0.75)          |
| Return after operating charges*     | 11.86           | 0.53            | 32.83           |
| Distributions on income shares      | (4.27)          | (4.04)          | (2.43)          |
| Closing net asset value per share   | 125.50          | 117.91          | 121.42          |
| *after direct transaction costs of: | 0.03            | 0.06            | 0.02            |
| Performance                         |                 |                 |                 |
| Return after charges (%)            | 10.06           | 0.44            | 36.07           |
| Other Information                   |                 |                 |                 |
| Closing net asset value (£'000)     | 9,463           | 11,940          | 34,115          |
| Closing number of shares            | 7,539,927       | 10,126,067      | 28,097,234      |
| Operating charges (%)               | 0.70            | 0.70            | 0.70            |
| Direct transaction costs (%)        | 0.02            | 0.05            | 0.02            |
| Prices                              |                 |                 |                 |
| Highest share price (p)             | 130.88          | 131.03          | 126.70          |
| Lowest share price (p)              | 104.71          | 112.15          | 89.22           |

| Change in net asset per share                |                      |                 |                 |                      |                 |                 |
|--|----------------------|-----------------|-----------------|----------------------|-----------------|-----------------|
|  | L (GBP) Accumulation |                 |                 | I (GBP) Accumulation |                 |                 |
|  | 31.07.23<br>(p)      | 31.07.22<br>(p) | 31.07.21<br>(p) | 31.07.23<br>(p)      | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share            | 148.12               | 148.86          | 110.29          | 182.65               | 182.20          | 133.99          |
| Return before operating charges*             | 15.88                | 1.67            | 40.71           | 19.66                | 2.02            | 49.58           |
| Operating charges                            | (2.45)               | (2.41)          | (2.14)          | (1.60)               | (1.57)          | (1.37)          |
| Return after operating charges*              | 13.43                | (0.74)          | 38.57           | 18.06                | 0.45            | 48.21           |
| Distribution on accumulation share           | (5.38)               | (4.97)          | (2.94)          | (6.66)               | (6.11)          | (3.59)          |
| Retained distributions on accumulation share | 5.38                 | 4.97            | 2.94            | 6.66                 | 6.11            | 3.59            |
| Closing net asset value per share            | 161.55               | 148.12          | 148.86          | 200.71               | 182.65          | 182.20          |
| *after direct transaction costs of:          | 0.03                 | 0.07            | 0.02            | 0.04                 | 0.09            | 0.03            |
| Performance                                  |                      |                 |                 |                      |                 |                 |
| Return after charges (%)                     | 9.07                 | (0.50)          | 34.97           | 9.89                 | 0.25            | 35.98           |
| Other Information                            |                      |                 |                 |                      |                 |                 |
| Closing net asset value (£'000)              | 63,760               | 67,759          | 75,663          | 102,653              | 219,086         | 252,263         |
| Closing number of shares                     | 39,468,646           | 45,747,180      | 50,826,936      | 51,144,402           | 119,951,752     | 138,454,077     |
| Operating charges (%)                        | 1.60                 | 1.60            | 1.60            | 0.85                 | 0.85            | 0.85            |
| Direct transaction costs (%)                 | 0.02                 | 0.05            | 0.02            | 0.02                 | 0.05            | 0.02            |
| Prices                                       |                      |                 |                 |                      |                 |                 |
| Highest share price (p)                      | 165.90               | 159.97          | 153.40          | 205.40               | 196.48          | 187.60          |
| Lowest share price (p)                       | 131.28               | 138.23          | 107.90          | 162.14               | 170.36          | 131.30          |



## Comparative Tables *(continued)*

| Change in net asset per share                |                      |                 |                 |                       |                 |                 |
|--|----------------------|-----------------|-----------------|-----------------------|-----------------|-----------------|
|  | P (GBP) Accumulation |                 |                 | U1 (GBP) Accumulation |                 |                 |
|  | 31.07.23<br>(p)      | 31.07.22<br>(p) | 31.07.21<br>(p) | 31.07.23<br>(p)       | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share            | 108.52               | 108.53          | 80.01           | 162.71                | 162.19          | 119.18          |
| Return before operating charges*             | 11.68                | 1.20            | 29.59           | 17.54                 | 1.80            | 44.12           |
| Operating charges                            | (1.24)               | (1.21)          | (1.07)          | (1.31)                | (1.28)          | (1.11)          |
| Return after operating charges*              | 10.44                | (0.01)          | 28.52           | 16.23                 | 0.52            | 43.01           |
| Distribution on accumulation share           | (3.95)               | (3.64)          | (2.14)          | (5.93)                | (5.44)          | (3.19)          |
| Retained distributions on accumulation share | 3.95                 | 3.64            | 2.14            | 5.93                  | 5.44            | 3.19            |
| Closing net asset value per share            | 118.96               | 108.52          | 108.53          | 178.94                | 162.71          | 162.19          |
| *after direct transaction costs of:          | 0.02                 | 0.05            | 0.02            | 0.04                  | 0.08            | 0.02            |
| <b>Performance</b>                           |                      |                 |                 |                       |                 |                 |
| Return after charges (%)                     | 9.62                 | (0.01)          | 35.65           | 9.97                  | 0.32            | 36.09           |
| <b>Other Information</b>                     |                      |                 |                 |                       |                 |                 |
| Closing net asset value (£'000)              | 3,772                | 3,575           | 3,904           | 169,033               | 185,174         | 237,877         |
| Closing number of shares                     | 3,171,211            | 3,294,551       | 3,596,769       | 94,463,999            | 113,806,935     | 146,665,295     |
| Operating charges (%)                        | 1.10                 | 1.10            | 1.10            | 0.775                 | 0.775           | 0.775           |
| Direct transaction costs (%)                 | 0.02                 | 0.05            | 0.02            | 0.02                  | 0.05            | 0.02            |
| <b>Prices</b>                                |                      |                 |                 |                       |                 |                 |
| Highest share price (p)                      | 121.88               | 116.90          | 111.80          | 183.05                | 174.97          | 167.00          |
| Lowest share price (p)                       | 96.29                | 101.24          | 78.36           | 144.47                | 151.76          | 116.80          |

| Change in net asset per share                |                       |                 |                 |
|--|-----------------------|-----------------|-----------------|
|  | U2 (GBP) Accumulation |                 |                 |
|  | 31.07.23<br>(p)       | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share            | 156.17                | 155.55          | 114.23          |
| Return before operating charges*             | 16.84                 | 1.73            | 42.28           |
| Operating charges                            | (1.13)                | (1.11)          | (0.96)          |
| Return after operating charges*              | 15.71                 | 0.62            | 41.32           |
| Distribution on accumulation share           | (5.70)                | (5.22)          | (3.06)          |
| Retained distributions on accumulation share | 5.70                  | 5.22            | 3.06            |
| Closing net asset value per share            | 171.88                | 156.17          | 155.55          |
| *after direct transaction costs of:          | 0.03                  | 0.08            | 0.02            |
| <b>Performance</b>                           |                       |                 |                 |
| Return after charges (%)                     | 10.06                 | 0.40            | 36.17           |
| <b>Other Information</b>                     |                       |                 |                 |
| Closing net asset value (£'000)              | 21,186                | 103,211         | 95,630          |
| Closing number of shares                     | 12,326,117            | 66,089,615      | 61,477,260      |
| Operating charges (%)                        | 0.70                  | 0.70            | 0.70            |
| Direct transaction costs (%)                 | 0.02                  | 0.05            | 0.02            |
| <b>Prices</b>                                |                       |                 |                 |
| Highest share price (p)                      | 175.76                | 167.87          | 160.10          |
| Lowest share price (p)                       | 138.68                | 145.65          | 112.00          |

## Portfolio Statement

As at 31 July 2023

| Holding    | Investment   | Market value<br>£ | Total net assets<br>% |
|------------|--|-------------------|-----------------------|
|            | <b>UNITED KINGDOM - 83.88% (82.98%)</b>                          |                   |                       |
|            | <b>Automobile and Parts - 0.98% (0.00%)</b>                      |                   |                       |
| 3,567,578  | Dowlais Group  | 4,386,337         | 0.98                  |
|            | <b>Banks - 8.25% (9.07%)</b>                                     |                   |                       |
| 11,238,081 | Barclays   | 17,414,530        | 3.90                  |
| 43,133,114 | Lloyds Banking   | 19,381,865        | 4.35                  |
|            |  | 36,796,395        | 8.25                  |
|            | <b>Electricity - 6.90% (7.95%)</b>                               |                   |                       |
| 3,872,004  | Drax   | 23,417,880        | 5.25                  |
| 436,283    | SSE  | 7,353,550         | 1.65                  |
|            |  | 30,771,430        | 6.90                  |
|            | <b>Electronic and Electrical Equipment - 2.60% (2.29%)</b>       |                   |                       |
| 3,769,475  | Rotork   | 11,625,061        | 2.60                  |
|            | <b>Food Producers - 2.19% (2.44%)</b>                            |                   |                       |
| 1,309,212  | Tate & Lyle  | 9,766,721         | 2.19                  |
|            | <b>General Industrials - 3.59% (3.46%)</b>                       |                   |                       |
| 3,019,925  | Melrose Industries   | 15,999,563        | 3.59                  |
|            | <b>Household Goods and Home Construction - 1.89% (2.23%)</b>     |                   |                       |
| 7,365,781  | Taylor Wimpey  | 8,422,771         | 1.89                  |
|            | <b>Industrial Engineering - 3.43% (3.46%)</b>                    |                   |                       |
| 834,490    | Weir   | 15,312,891        | 3.43                  |
|            | <b>Industrial Metals and Mining - 3.49% (3.70%)</b>              |                   |                       |
| 302,193    | Rio Tinto (UK Listing)   | 15,562,940        | 3.49                  |
|            | <b>Investment Banking and Brokerage Services - 3.22% (3.60%)</b> |                   |                       |
| 1,530,219  | St James's Place   | 14,384,058        | 3.22                  |
|            | <b>Life Insurance - 2.82% (2.36%)</b>                            |                   |                       |
| 1,163,918  | Prudential   | 12,593,593        | 2.82                  |
|            | <b>Medical Equipment and Services - 1.99% (1.79%)</b>            |                   |                       |
| 750,767    | Smith & Nephew   | 8,896,589         | 1.99                  |

## Portfolio Statement *(continued)*

| As at 31 July 2023 |   |                   |                       |
|--------------------|---|-------------------|-----------------------|
| Holding            | Investment  | Market value<br>£ | Total net assets<br>% |
|                    | <b>Oil, Gas and Coal - 4.15% (3.77%)</b>                      |                   |                       |
| 3,832,727          | BP  | 18,512,071        | 4.15                  |
|                    | <b>Personal Care, Drug and Grocery Stores - 2.17% (2.56%)</b> |                   |                       |
| 3,758,836          | Tesco   | 9,697,797         | 2.17                  |
|                    | <b>Personal Goods - 2.66% (2.83%)</b>                         |                   |                       |
| 534,579            | Burberry  | 11,883,691        | 2.66                  |
|                    | <b>Pharmaceuticals and Biotechnology - 9.52% (10.43%)</b>     |                   |                       |
| 230,590            | AstraZeneca (UK Listing)                                      | 25,789,186        | 5.78                  |
| 915,254            | GSK   | 12,668,946        | 2.84                  |
| 1,190,819          | Haleon  | 4,004,724         | 0.90                  |
|                    |   | 42,462,856        | 9.52                  |
|                    | <b>Retailers - 5.62% (5.50%)</b>                              |                   |                       |
| 166,225            | Next  | 11,712,213        | 2.63                  |
| 3,397,408          | Pets at Home  | 13,331,429        | 2.99                  |
|                    |   | 25,043,642        | 5.62                  |
|                    | <b>Software and Computer Services - 6.33% (4.71%)</b>         |                   |                       |
| 2,419,593          | Darktrace   | 8,950,075         | 2.01                  |
| 2,058,500          | Sage  | 19,275,794        | 4.32                  |
|                    |   | 28,225,869        | 6.33                  |
|                    | <b>Travel and Leisure - 12.08% (10.83%)</b>                   |                   |                       |
| 1,312,444          | Entain  | 18,190,474        | 4.08                  |
| 5,521,956          | SSP   | 13,893,241        | 3.11                  |
| 624,147            | Whitbread   | 21,838,904        | 4.89                  |
|                    |   | 53,922,619        | 12.08                 |
|                    | <b>IRELAND - 6.37% (5.47%)</b>                                |                   |                       |
|                    | <b>Construction and Materials - 2.94% (1.99%)</b>             |                   |                       |
| 282,275            | CRH (UK Listing)  | 13,122,965        | 2.94                  |
|                    | <b>Industrial Support Services - 3.43% (3.48%)</b>            |                   |                       |
| 508,090            | Experian  | 15,283,347        | 3.43                  |
|                    | <b>NETHERLANDS - 3.69% (4.01%)</b>                            |                   |                       |
|                    | <b>Oil, Gas and Coal - 3.69% (4.01%)</b>                      |                   |                       |
| 695,616            | Shell   | 16,454,796        | 3.69                  |

## Portfolio Statement *(continued)*

As at 31 July 2023

| Holding   | Investment  | Market value<br>£  | Total net assets<br>% |
|-----------|---|--------------------|-----------------------|
|           | <b>SWITZERLAND - 4.72% (5.42%)</b>                  |                    |                       |
|           | <b>Industrial Metals and Mining - 4.72% (5.42%)</b> |                    |                       |
| 4,447,673 | Glencore  | 21,059,732         | 4.72                  |
|           | <b>UNITED STATES - 0.31% (1.91%)</b>                |                    |                       |
|           | <b>Industrial Support Services - 0.31% (1.91%)</b>  |                    |                       |
| 29,567    | Fidelity National Information Services              | 1,391,388          | 0.31                  |
|           | Total value of investments                          | 441,579,122        | 98.97                 |
|           | Net other assets                                    | 4,608,299          | 1.03                  |
|           | <b>Net assets</b>                                   | <b>446,187,421</b> | <b>100.00</b>         |

All holdings are ordinary shares or stock units unless otherwise stated.  
The figures in brackets show allocations as at 31 July 2022.

| Asset allocation |                |
|------------------|----------------|
| Equities         | 98.97%         |
| Net other assets | 1.03%          |
| <b>Total</b>     | <b>100.00%</b> |

| Portfolio allocation                      |                |
|---|----------------|
| Travel and Leisure                        | 12.08%         |
| Pharmaceuticals and Biotechnology         | 9.52%          |
| Banks                                     | 8.25%          |
| Industrial Metals and Mining              | 8.21%          |
| Oil, Gas and Coal                         | 7.84%          |
| Electricity                               | 6.90%          |
| Software and Computer Services            | 6.33%          |
| Retailers                                 | 5.62%          |
| Industrial Support Services               | 3.74%          |
| General Industrials                       | 3.59%          |
| Industrial Engineering                    | 3.43%          |
| Investment Banking and Brokerage Services | 3.22%          |
| Construction and Materials                | 2.94%          |
| Life Insurance                            | 2.82%          |
| Personal Goods                            | 2.66%          |
| Electronic and Electrical Equipment       | 2.60%          |
| Food Producers                            | 2.19%          |
| Personal Care, Drug and Grocery Stores    | 2.17%          |
| Medical Equipment and Services            | 1.99%          |
| Household Goods and Home Construction     | 1.89%          |
| Automobile and Parts                      | 0.98%          |
| Net other assets                          | 1.03%          |
| <b>Total</b>                              | <b>100.00%</b> |

| Major holdings            | Percentage of portfolio |
|---------------------------|-------------------------|
| AstraZeneca (UK Listing)  | 5.78%                   |
| Drax                      | 5.25%                   |
| Whitbread                 | 4.89%                   |
| Glencore                  | 4.72%                   |
| Lloyds Banking            | 4.35%                   |
| Sage                      | 4.32%                   |
| BP                        | 4.15%                   |
| Entain                    | 4.08%                   |
| Barclays                  | 3.90%                   |
| Shell                     | 3.69%                   |
| <b>Number of holdings</b> | <b>32</b>               |

## Statement of Total Return

| For the year ended 31 July 2023   |      |                  |                 |                  |                 |
|---|------|------------------|-----------------|------------------|-----------------|
|   | Note | Year to 31.07.23 |                 | Year to 31.07.22 |                 |
|   |      | £'000            | £'000           | £'000            | £'000           |
| Income  |      |                  |                 |                  |                 |
| Net capital gains/(losses)  | 2    |                  | 41,485          |                  | (13,928)        |
| Revenue   | 3    | 21,985           |                 | 25,180           |                 |
| Expenses  | 4    | (5,465)          |                 | (6,636)          |                 |
| Net revenue before taxation   |      | <u>16,520</u>    |                 | <u>18,544</u>    |                 |
| Taxation  | 5    | (27)             |                 | (31)             |                 |
| Net revenue after taxation  |      |                  | <u>16,493</u>   |                  | <u>18,513</u>   |
| <b>Total return before distributions</b>  |      |                  | <b>57,978</b>   |                  | <b>4,585</b>    |
| Distributions   | 6    |                  | <u>(21,942)</u> |                  | <u>(25,147)</u> |
| <b>Change in net assets attributable to shareholders from investment activities</b> |      |                  | <b>36,036</b>   |                  | <b>(20,562)</b> |

## Statement of Change in Net Assets Attributable to Shareholders

| For the year ended 31 July 2023  |                  |                |                  |                |
|--|------------------|----------------|------------------|----------------|
|  | Year to 31.07.23 |                | Year to 31.07.22 |                |
|  | £'000            | £'000          | £'000            | £'000          |
| <b>Opening net assets attributable to shareholders</b>                       |                  | <b>685,530</b> |                  | <b>827,612</b> |
| Amounts receivable on issue of shares  | 28,398           |                | 117,208          |                |
| Amounts payable on cancellation of shares                                    | <u>(318,824)</u> |                | <u>(258,263)</u> |                |
|  |                  | (290,426)      |                  | (141,055)      |
| Change in net assets attributable to shareholders from investment activities |                  | 36,036         |                  | (20,562)       |
| Unclaimed distributions  |                  | 3              |                  | –              |
| Retained distribution on accumulation shares                                 |                  | <u>15,044</u>  |                  | <u>19,535</u>  |
| <b>Closing net assets attributable to shareholders</b>                       |                  | <b>446,187</b> |                  | <b>685,530</b> |

The notes on pages 108 to 118 form an integral part of these financial statements.

## Balance Sheet

| As at 31 July 2023                             |      |                   |                   |
|--|------|-------------------|-------------------|
|  | Note | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
| <b>Assets</b>                                  |      |                   |                   |
| Fixed Assets:                                  |      |                   |                   |
| Investments                                    |      | 441,579           | 684,101           |
| Current assets:                                |      |                   |                   |
| Debtors  | 7    | 1,128             | 4,163             |
| Cash and bank balances                         | 8    | 17,210            | 4,133             |
| Total assets                                   |      | 459,917           | 692,397           |
| <b>Liabilities</b>                             |      |                   |                   |
| Creditors:                                     |      |                   |                   |
| Distributions payable                          |      | (1,703)           | (2,117)           |
| Other creditors                                | 9    | (12,027)          | (4,750)           |
| Total liabilities                              |      | (13,730)          | (6,867)           |
| <b>Net assets attributable to shareholders</b> |      | <b>446,187</b>    | <b>685,530</b>    |

The notes on pages 108 to 118 form an integral part of these financial statements.

## Notes to the Financial Statements

### 1. Significant Accounting Policies

The summary of applicable accounting policies adopted by the Jupiter UK Alpha Fund are included on pages 234 to 236.

### 2. Net Capital Gains/(Losses)

The net gains/(losses) on investments during the year comprise:

|   | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|---|-------------------|-------------------|
| Currency (losses)/gains                     | (12)              | 15                |
| Gains/(losses) on non-derivative securities | 41,508            | (13,943)          |
| Losses on forward currency contracts        | (11)              | –                 |
| <b>Net capital gains/(losses)</b>           | <b>41,485</b>     | <b>(13,928)</b>   |

### 3. Revenue

|                      | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|----------------------|-------------------|-------------------|
| UK dividends         | 17,832            | 22,707            |
| Overseas dividends   | 4,070             | 2,470             |
| Bank interest        | 83                | 3                 |
| <b>Total revenue</b> | <b>21,985</b>     | <b>25,180</b>     |

### 4. Expenses

|  | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--|-------------------|-------------------|
| <b>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</b> |                   |                   |
| Fixed Annual Charge*   | 5,465             | 446               |
| Fixed Ongoing Charge   | –                 | 6,190             |
| <b>Total expenses</b>  | <b>5,465</b>      | <b>6,636</b>      |

\*This figure represent the Fixed Annual Charge, which covers all fees payable by the sub-fund to the Authorised Corporate Director, Investment Adviser, Depositary (including associates etc.) and other expenses.

The audit fee for the year, excluding VAT, was £8,850 (31.07.2022: £8,300).



## Notes to the Financial Statements *(continued)*

### 5. Taxation

#### (a) Analysis of charge in the year:

|                                      | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--------------------------------------|-------------------|-------------------|
| Irrecoverable overseas tax           | 27                | 31                |
| <b>Total tax charge for the year</b> | <b>27</b>         | <b>31</b>         |

#### (b) Factors affecting total tax charge for the year:

The tax assessed for the year is lower (2022: lower) than the standard rate of Corporation Tax in the UK for an open-ended investment company. The differences are explained below:

|  | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--|-------------------|-------------------|
| Net revenue before taxation            | 16,520            | 18,544            |
| Corporation tax of 20% (2022: 20%)     | 3,304             | 3,709             |
| <b>Effects of:</b>                     |                   |                   |
| Current year expenses not utilised     | 1,076             | 1,327             |
| Revenue not subject to taxation        | (4,380)           | (5,036)           |
| Irrecoverable overseas tax             | 27                | 31                |
| <b>Current tax charge for the year</b> | <b>27</b>         | <b>31</b>         |

OEICs are exempt from tax on capital gains, therefore any capital return is not included in the above reconciliation.

#### (c) Provision for Deferred Tax

At 31 July 2023, there are surplus management expenses of £48,365,776 (31.07.22: £42,984,704). It is unlikely the sub-fund will generate sufficient taxable profits in the future to utilise this amount and therefore a Deferred Tax asset of £9,673,155 (31.07.22: £8,596,941) has not been recognised.

## Notes to the Financial Statements *(continued)*

### 6. Distributions

The distributions take account of amounts received on the issue of shares and deducted on the cancellation of shares and comprise:

|   | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|---|-------------------|-------------------|
| Interim distribution  | 9,374             | 10,252            |
| Final distribution  | 8,720             | 13,378            |
|   | 18,094            | 23,630            |
| Amounts received on issue of shares                                   | (268)             | (1,109)           |
| Amounts paid on cancellation of shares                                | 4,116             | 2,626             |
| <b>Net distributions for the year</b>                                 | <b>21,942</b>     | <b>25,147</b>     |
| <b>Reconciliation of net revenue after taxation to distributions:</b> |                   |                   |
| Net revenue after taxation  | 16,493            | 18,513            |
| Charges borne by capital  | 5,465             | 6,636             |
| Tax relief on capitalised expenses                                    | (16)              | (1)               |
| Net movement in revenue account                                       | –                 | (1)               |
| <b>Net distributions for the year</b>                                 | <b>21,942</b>     | <b>25,147</b>     |

Details of the distributions in pence per share are shown in the Distribution Tables on pages 119 to 122.

### 7. Debtors

|  | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--|-------------------|-------------------|
| Accrued revenue                        | 1,060             | 1,602             |
| Amounts receivable for issue of shares | 48                | 2,541             |
| Overseas tax recoverable               | 20                | 20                |
| <b>Total debtors</b>                   | <b>1,128</b>      | <b>4,163</b>      |

### 8. Cash and Bank Balances

|                                     | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|-------------------------------------|-------------------|-------------------|
| Cash and bank balances              | 17,210            | 4,133             |
| <b>Total cash and bank balances</b> | <b>17,210</b>     | <b>4,133</b>      |

### 9. Other Creditors

|  | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--|-------------------|-------------------|
| Accrued expenses                           | 80                | 115               |
| Amounts payable for cancellation of shares | 9,481             | 4,635             |
| Purchases awaiting settlement              | 2,466             | –                 |
| <b>Total other creditors</b>               | <b>12,027</b>     | <b>4,750</b>      |

## Notes to the Financial Statements *(continued)*

### 10. Contingent Assets, Liabilities and Capital Commitments

The sub-fund had no contingent assets, liabilities or capital commitments at the balance sheet date (31.07.22: £nil).

### 11. Related Party Transactions

Jupiter Fund Managers Limited (prior to 14 November 2022) and Jupiter Unit Trust Managers Limited thereafter, as ACD, is a related party, and acts as principal in respect of all transactions of shares in each sub-fund. The aggregate monies received on issue and paid on cancellation are disclosed in the Statement of change in net assets attributable to shareholders on page 106. Any amounts due to or from the ACD at the end of the accounting year in respect of transactions of shares in each sub-fund are disclosed in Notes 7 (Debtors) and 9 (Other Creditors).

Amounts receivable/(payable) from the ACD in respect of issues/cancellations are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. At the year end, a net balance of £9,433,009 was payable to the ACD (31.07.22: £2,093,616 was payable to the ACD). These amounts are included in amounts receivable for issue of shares in Note 7 and amounts payable for cancellation of shares in Note 9.

Amounts paid to the ACD in respect of fund management are disclosed in Note 4 (Expenses). At the year end, £79,692 (31.07.22: £115,394) was payable to the ACD. This amount is included as part of accrued expenses in Note 9.

### 12. Financial Instruments

#### Financial Instrument Risk

The sub-fund, in pursuing its investment objective, may hold a range of financial instruments in line with its investment policy.

The ACD has established a risk management policy and permanent risk management function to identify, measure, monitor and manage all risks relevant to the sub-fund. This is designed to meet the key requirements of investor protection and to ensure compliance with the FCA's regulatory requirements.

Adherence to the investment guidelines and the investment and borrowing powers as set out in the Prospectus and in the rules of the Regulations also mitigates the risk of excessive exposure to any particular type of security or issuer. Further information on the investment portfolio is set out in the Investment Adviser's review and the Portfolio statement of each sub-fund.

The main risks arising from financial instruments are market price, foreign currency, interest rate, liquidity, credit, and counterparty risk which are summarised below.

#### Market Risk

Market risk arises from uncertainty about future prices of financial instruments held. The main source of risk to the sub-fund is the potential movement in the value of financial instruments held as a result of price fluctuations. Stock market prices can move erratically and be unpredictably affected by diverse factors including political and economic events but also rumours and sentiment. The ACD adheres to the investment guidelines and borrowing powers set out within the Prospectus and the COLL Sourcebook. In this way the ACD monitors and controls the exposure to risk from any type of security, sector or issuer. The sub-fund may also use derivative instruments to mitigate this risk and reduce cost.

#### Market Price Risk Sensitivity

A five percent market movement in the price of investments held by the sub-fund, with all other variables remaining constant, would result in an increase or decrease on net asset value of the sub-fund by approximately £22,078,956 or 4.95% of NAV (31.07.2022: £34,205,026 or 4.99% of NAV).

## Notes to the Financial Statements *(continued)*

### 12. Financial Instruments *(continued)*

#### Foreign Currency Risk

A proportion of the sub-fund's financial assets and liabilities are invested overseas. As a result, movements in exchange rates may affect the market price of investments and, due to timing differences between the transaction dates of investment sales, purchases and income, and actual cash settlement, create currency exchange gains/losses. The Investment Adviser does seek to reduce some of this risk by using forward currency contracts.

The direct foreign currency exposure of the sub-fund as at 31 July were as follows:

| Currency     | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--------------|-------------------|-------------------|
| US Dollar    | 1,391             | 13,114            |
| <b>Total</b> | <b>1,391</b>      | <b>13,114</b>     |

#### Foreign Currency Risk Sensitivity

A five percent increase in the value of the sub-fund's foreign currency exposure would have the effect of increasing the return and net assets as at 31 July 2023 by £69,569 or 0.02% of NAV (31.07.2022: £655,703 or 0.10% of NAV). A five percent decrease would have an equal and opposite effect.

#### Interest Rate Risk

Interest rate risk is the risk of movements in the value of financial instruments as a result of fluctuations in interest rates. The interest rate risk profile of the sub-fund's financial assets and liabilities at the year end were as follows:

| Currency        | Floating Rate<br>financial assets<br>£'000 | Fixed Rate<br>financial assets<br>£'000 | Financial assets<br>not carrying interest<br>£'000 | Total<br>£'000 |
|-----------------|--|---|--|----------------|
| <b>31.07.23</b> |  |   |  |                |
| US Dollar       | –  | –                                       | 1,391  | 1,391          |
| Sterling        | 17,210                                     | –                                       | 441,316  | 458,526        |
| <b>Total</b>    | <b>17,210</b>                              | <b>–</b>                                | <b>442,707</b>                                     | <b>459,917</b> |
| <b>31.07.22</b> |  |   |  |                |
| US Dollar       | –  | –                                       | 13,114   | 13,114         |
| Sterling        | 4,133                                      | –                                       | 675,150  | 679,283        |
| <b>Total</b>    | <b>4,133</b>                               | <b>–</b>                                | <b>688,264</b>                                     | <b>692,397</b> |

| Currency        | Floating Rate<br>financial liabilities<br>£'000 | Fixed Rate<br>financial liabilities<br>£'000 | Financial liabilities<br>not carrying interest<br>£'000 | Total<br>£'000 |
|-----------------|---|--|---|----------------|
| <b>31.07.23</b> |   |  |   |                |
| Sterling        | –   | –  | 13,730  | 13,730         |
| <b>Total</b>    | <b>–</b>  | <b>–</b>                                     | <b>13,730</b>   | <b>13,730</b>  |
| <b>31.07.22</b> |   |  |   |                |
| Sterling        | –   | –  | 6,867   | 6,867          |
| <b>Total</b>    | <b>–</b>  | <b>–</b>                                     | <b>6,867</b>  | <b>6,867</b>   |

There are no material amounts of non interest-bearing financial assets, which do not have maturity dates, other than equities, and therefore no sensitivity analysis has been disclosed in these financial statements.

## Notes to the Financial Statements *(continued)*

### 12. Financial Instruments *(continued)*

The floating rate financial assets and liabilities include bank balances and overdrafts that bear interest. Interest rates on Sterling and overseas bank balances as supplied by the custodian may vary in line with market conditions and the size of deposit. Overdraft interest is calculated at the current Bank of England base rate plus 1.00%.

#### Liquidity Risk

The sub-fund's assets comprise mainly of readily realisable securities which can be sold promptly to meet liquidity requirements. The main source of this risk comes from the obligation to shareholders to meet any cancellation of shares.

Assets from the sub-fund may need to be sold to meet any redemption proceeds. As part of its operating duties the ACD regularly monitors the liquidity levels held on the sub-fund (cash and underlying securities) to ensure any redemption can be readily met. Some investments may be less liquid than other securities and can be more sensitive to economic factors. The rules of the Regulations mitigate the risk of excessive exposure to assets which are not readily realisable.

#### Credit Risk

Credit risk is the risk of suffering loss due to another party not meeting its financial obligation. The risk is managed by the Investment Adviser who monitors the credit profile of financial instruments in accordance with the objective and policy of the sub-fund.

Adherence to the investment guidelines and the investment and borrowing powers as set out in the Prospectus and in the rules of the Regulations also mitigates the risk of excessive exposure to any particular type of security or issuer. Further information on the investment portfolio is set out in the Investment Adviser's review and the Portfolio Statement.

#### Counterparty Risk

Certain transactions in financial instruments that a sub-fund enters into have the risk that the counterparty will not meet its financial obligations, i.e. the investment (purchase) or cash (sale) after the sub-fund has fulfilled its responsibilities.

The sub-fund will only buy and sell investments through brokers which have been approved by the ACD and Investment Adviser as an acceptable counterparty. This is overseen by the Depositary to ensure that the exposure to any counterparty remains appropriate for investors.

#### Global Exposure

The Investment Adviser assesses the market risk of the Jupiter UK Alpha Fund, including any derivative exposures, using a commitment approach. All exposure arising through the investment in financial derivative instruments will be covered by the underlying assets of the sub-fund. The sub-fund will use the commitment approach methodology to measure, monitor and manage the "leverage" effect produced by the use of financial derivative instruments and for the calculation of global exposure. As the sub-fund uses the commitment approach it must ensure that its global exposure does not exceed its total net asset value and sub-fund may not therefore be leveraged in excess of 100% of its net asset value. In using the commitment approach for the calculation of global exposure, the sub-fund will convert each derivative position into the market value of an equivalent position in the underlying asset of that derivative. Using the commitment approach, the global exposure is 0.00% (31.07.22: 0.00%).

## Notes to the Financial Statements *(continued)*

### 13. Fair Value of Financial Assets and Liabilities

There is no material difference between the carrying value of the financial assets and liabilities, as shown in the Balance sheet, and their fair value.

**The fair value of investments has been determined using the following hierarchy:**

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Level 3: Valuation techniques using unobservable inputs.

| Basis of valuation | Assets<br>£'000 | Liabilities<br>£'000 |
|--------------------|-----------------|----------------------|
| <b>31.07.23</b>    |                 |                      |
| Level 1            | 441,579         | –                    |
| Level 2            | –               | –                    |
| Level 3            | –               | –                    |
| <b>Total</b>       | <b>441,579</b>  | <b>–</b>             |

| Basis of valuation | Assets<br>£'000 | Liabilities<br>£'000 |
|--------------------|-----------------|----------------------|
| <b>31.07.22</b>    |                 |                      |
| Level 1            | 684,101         | –                    |
| Level 2            | –               | –                    |
| Level 3            | –               | –                    |
| <b>Total</b>       | <b>684,101</b>  | <b>–</b>             |

## Notes to the Financial Statements *(continued)*

### 13. Fair Value of Financial Assets and Liabilities *(continued)*

The majority of financial instruments are classified as level 1: Quoted prices.

Generally for the non-market traded and unquoted securities, where there is no price source from an active market for an investment, the ACD has applied judgement in determining the fair value. The ACD has used several valuation methodologies as prescribed in the International Private Equity and Venture Capital valuation guidelines to arrive at their best estimate of fair value. Valuation techniques used by the ACD are set out in Significant Accounting Policies (j). The fair value is established by using measures of value such as:

- **Price of recent transactions** — Management determine the fair value based on the price of recent transactions made by management or a third party.
- **Milestone analysis** — Management assess the investment company's progress against milestones expected at the time of investment in order to determine whether an adjustment is required to the transaction price to determine fair value.
- **Multiples** — Earnings or Revenue multiples are selected from comparable public companies based on geographic location, industry, size, risk profile, earnings growth prospects, target markets and other factors that management consider reasonable. A discount for lack of liquidity may then be applied to represent the adjustment to comparable company multiples to reflect the illiquidity of the portfolio companies relative to the comparable peer group. Management determines the discount for lack of liquidity based on its judgement, after considering market liquidity conditions and company specific factors such as the development stage of the portfolio company. Among the most common forms of multiples used for cash generating companies are EV/EBITDA and EV/Revenue multiples, generally seen to represent a good proxy for free cash flow and company performance. These are applied where appropriate based on the development of underlying portfolio companies but other inputs such as comparable company share price movements may also be considered.
- **Net assets** — Management determine the fair value based on the net asset value of the underlying portfolio company.

In applying the above valuation techniques in arriving at the fair value the ACD has assessed any further information available from internal and external sources to arrive at an estimated fair value, which includes but is not limited to the following:

- Reference to listed securities of the same company.
- Consideration of seniority of the securities held and terms of repayment upon realisation.
- Consideration of any trading restrictions on the investment company's shares that would limit ACD's ability to realise its holding.
- Consideration of any outstanding payments to be made by ACD.
- Industry statistics or events (such as mergers and acquisitions).

## Notes to the Financial Statements *(continued)*

### 14. Portfolio Transaction Costs

For the year ended 31 July 2023

|  | Equities<br>£'000 | %    | Total<br>£'000 |
|--|-------------------|------|----------------|
| <b>31.07.23</b>                            |                   |      |                |
| <b>Analysis of total purchases costs</b>   |                   |      |                |
| Purchases in year before transaction costs | 14,962            |      | 14,962         |
| Commissions                                | 8                 | 0.05 | 8              |
| Expenses and other charges                 | 75                | 0.50 | 75             |
|  | <u>83</u>         |      | <u>83</u>      |
| Purchases including transaction costs      | 15,045            |      | 15,045         |
| <b>Analysis of total sales costs</b>       |                   |      |                |
| Sales in year before transaction costs     | 299,125           |      | 299,125        |
| Commissions                                | (49)              | 0.02 | (49)           |
| Expenses and other charges                 | (1)               | –    | (1)            |
|  | <u>(50)</u>       |      | <u>(50)</u>    |
| Sales net of transaction costs             | 299,075           |      | 299,075        |

Commissions, taxes and expenses and other charges as % of average net assets:

|                            |       |
|----------------------------|-------|
| Commissions                | 0.01% |
| Expenses and other charges | 0.01% |

The average portfolio dealing spread as at the balance sheet date was 0.04%.



## Notes to the Financial Statements *(continued)*

### 14. Portfolio Transaction Costs *(continued)*

For the year ended 31 July 2022

|  | Equities<br>£'000 | %    | Total<br>£'000 |
|--|-------------------|------|----------------|
| <b>31.07.22</b>                            |                   |      |                |
| <b>Analysis of total purchases costs</b>   |                   |      |                |
| Purchases in year before transaction costs | 64,886            |      | 64,886         |
| Commissions                                | 18                | 0.03 | 18             |
| Expenses and other charges                 | 301               | 0.47 | 301            |
|  | <u>319</u>        |      | <u>319</u>     |
| Purchases including transaction costs      | 65,205            |      | 65,205         |
| <b>Analysis of total sales costs</b>       |                   |      |                |
| Sales in year before transaction costs     | 176,393           |      | 176,393        |
| Commissions                                | (51)              | 0.03 | (51)           |
|  | <u>(51)</u>       |      | <u>(51)</u>    |
| Sales net of transaction costs             | 176,342           |      | 176,342        |

Commissions, taxes and expenses and other charges as % of average net assets:

|                            |       |
|----------------------------|-------|
| Commissions                | 0.01% |
| Expenses and other charges | 0.04% |

The average portfolio dealing spread as at the balance sheet date was 0.05%.

## Notes to the Financial Statements *(continued)*

### 15. Shareholders' Funds

The net asset value of each share class, net asset value per share and the number of shares in issue are given in the comparative tables for each sub-fund.

The share classes currently in issue and the Fixed Annual Charge of each share class are shown below.

| Share Class           | 31.07.23 | 31.07.22 |
|-----------------------|----------|----------|
| L (GBP) Income        | 1.60%    | 1.60%    |
| L (GBP) Accumulation  | 1.60%    | 1.60%    |
| I (GBP) Income        | 0.85%    | 0.85%    |
| I (GBP) Accumulation  | 0.85%    | 0.85%    |
| P (GBP) Income        | 1.10%    | 1.10%    |
| P (GBP) Accumulation  | 1.10%    | 1.10%    |
| U1 (GBP) Income       | 0.775%   | 0.775%   |
| U1 (GBP) Accumulation | 0.775%   | 0.775%   |
| U2 (GBP) Income       | 0.70%    | 0.70%    |
| U2 (GBP) Accumulation | 0.70%    | 0.70%    |

| Reconciliation of Shares                  | L (GBP)<br>Income | L (GBP)<br>Accumulation | I (GBP)<br>Income | I (GBP)<br>Accumulation |
|---|-------------------|-------------------------|-------------------|-------------------------|
| Opening number of shares at 1 August 2022 | 3,366,330         | 45,747,180              | 11,051,653        | 119,951,752             |
| Shares issued in year                     | 65,753            | 238,422                 | 205,742           | 5,487,699               |
| Shares cancelled in year                  | (450,060)         | (6,082,187)             | (1,184,162)       | (73,840,674)            |
| Shares converted in year                  | (17,952)          | (434,769)               | 500,986           | (454,375)               |
| Closing number of shares at 31 July 2023  | 2,964,071         | 39,468,646              | 10,574,219        | 51,144,402              |

| Reconciliation of Shares                  | P (GBP)<br>Income | P (GBP)<br>Accumulation | U1 (GBP)<br>Income | U1 (GBP)<br>Accumulation |
|---|-------------------|-------------------------|--------------------|--------------------------|
| Opening number of shares at 1 August 2022 | 2,378,324         | 3,294,551               | 61,851,111         | 113,806,935              |
| Shares issued in year                     | 187               | 97,843                  | 1,926,716          | 2,013,297                |
| Shares cancelled in year                  | (309,694)         | (175,437)               | (19,781,937)       | (21,058,782)             |
| Shares converted in year                  | (3,237)           | (45,746)                | 9,383              | (297,451)                |
| Closing number of shares at 31 July 2023  | 2,065,580         | 3,171,211               | 44,005,273         | 94,463,999               |

| Reconciliation of Shares                  | U2 (GBP)<br>Income | U2<br>(GBP)<br>Accumulation |
|---|--------------------|-----------------------------|
| Opening number of shares at 1 August 2022 | 10,126,067         | 66,089,615                  |
| Shares issued in year                     | 9,342              | 7,774,492                   |
| Shares cancelled in year                  | (2,697,494)        | (62,149,922)                |
| Shares converted in year                  | 102,012            | 611,932                     |
| Closing number of shares at 31 July 2023  | 7,539,927          | 12,326,117                  |

## Distribution Tables

For the year ended 31 July 2023

### INTERIM

Group 1: Shares purchased prior to 1 August 2022

Group 2: Shares purchased on or after 1 August 2022 to 31 January 2023

|                       | Revenue         | Equalisation    | Distribution paid<br>31.03.23 | Distribution paid<br>31.03.22 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| L (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 1.7248          | –               | 1.7248                        | 1.6705                        |
| Group 2               | 1.6050          | 0.1198          | 1.7248                        | 1.6705                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>31.03.23 | Distribution accumulated<br>31.03.22 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| L (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 2.2277          | –               | 2.2277                               | 2.0866                               |
| Group 2                     | 1.9331          | 0.2946          | 2.2277                               | 2.0866                               |

|                       | Revenue         | Equalisation    | Distribution paid<br>31.03.23 | Distribution paid<br>31.03.22 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| I (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 1.8576          | –               | 1.8576                        | 1.7856                        |
| Group 2               | 1.1000          | 0.7576          | 1.8576                        | 1.7856                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>31.03.23 | Distribution accumulated<br>31.03.22 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| I (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 2.7500          | –               | 2.7500                               | 2.5568                               |
| Group 2                     | 1.4063          | 1.3437          | 2.7500                               | 2.5568                               |

|                       | Revenue         | Equalisation    | Distribution paid<br>31.03.23 | Distribution paid<br>31.03.22 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| P (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 1.4960          | –               | 1.4960                        | 1.4416                        |
| Group 2               | 1.4960          | –               | 1.4960                        | 1.4416                        |

## Distribution Tables *(continued)*

### For the year ended 31 July 2023

#### INTERIM

Group 1: Shares purchased prior to 1 August 2022

Group 2: Shares purchased on or after 1 August 2022 to 31 January 2023

|                             | Income          | Equalisation    | Distribution accumulated<br>31.03.23 | Distribution accumulated<br>31.03.22 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| P (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 1.6334          | –               | 1.6334                               | 1.5225                               |
| Group 2                     | 0.0003          | 1.6331          | 1.6334                               | 1.5225                               |

|                        | Income          | Equalisation    | Distribution paid<br>31.03.23 | Distribution paid<br>31.03.22 |
|------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| U1 (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                | 1.8242          | –               | 1.8242                        | 1.7522                        |
| Group 2                | 1.0790          | 0.7452          | 1.8242                        | 1.7522                        |

|                              | Income          | Equalisation    | Distribution accumulated<br>31.03.23 | Distribution accumulated<br>31.03.22 |
|------------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| U1 (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                      | 2.4502          | –               | 2.4502                               | 2.2763                               |
| Group 2                      | 1.3162          | 1.1340          | 2.4502                               | 2.2763                               |

|                        | Income          | Equalisation    | Distribution paid<br>31.03.23 | Distribution paid<br>31.03.22 |
|------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| U2 (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                | 1.7758          | –               | 1.7758                        | 1.7044                        |
| Group 2                | 1.7758          | –               | 1.7758                        | 1.7044                        |

|                              | Income          | Equalisation    | Distribution accumulated<br>31.03.23 | Distribution accumulated<br>31.03.22 |
|------------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| U2 (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                      | 2.3520          | –               | 2.3520                               | 2.1835                               |
| Group 2                      | 1.4840          | 0.8680          | 2.3520                               | 2.1835                               |

## Distribution Tables *(continued)*

For the year ended 31 July 2023

### FINAL

Group 1: Shares purchased prior to 1 February 2023

Group 2: Shares purchased on or after 1 February 2023 to 31 July 2023

|                       | Revenue         | Equalisation    | Distribution paid<br>29.09.23 | Distribution paid<br>30.09.22 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| L (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 2.4061          | –               | 2.4061                        | 2.2801                        |
| Group 2               | 1.0940          | 1.3121          | 2.4061                        | 2.2801                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>29.09.23 | Distribution accumulated<br>30.09.22 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| L (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 3.1508          | –               | 3.1508                               | 2.8874                               |
| Group 2                     | 1.3128          | 1.8380          | 3.1508                               | 2.8874                               |

|                       | Revenue         | Equalisation    | Distribution paid<br>29.09.23 | Distribution paid<br>30.09.22 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| I (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 2.6024          | –               | 2.6024                        | 2.4475                        |
| Group 2               | 1.0854          | 1.5170          | 2.6024                        | 2.4475                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>29.09.23 | Distribution accumulated<br>30.09.22 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| I (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 3.9066          | –               | 3.9066                               | 3.5531                               |
| Group 2                     | 1.6068          | 2.2998          | 3.9066                               | 3.5531                               |

|                       | Revenue         | Equalisation    | Distribution paid<br>29.09.23 | Distribution paid<br>30.09.22 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| P (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 2.0927          | –               | 2.0927                        | 1.9732                        |
| Group 2               | 2.0927          | –               | 2.0927                        | 1.9732                        |

## Distribution Tables *(continued)*

### For the year ended 31 July 2023

#### FINAL

Group 1: Shares purchased prior to 1 February 2023

Group 2: Shares purchased on or after 1 February 2023 to 31 July 2023

|                             | Income          | Equalisation    | Distribution accumulated<br>29.09.23 | Distribution accumulated<br>30.09.22 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| P (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 2.3170          | –               | 2.3170                               | 2.1126                               |
| Group 2                     | 1.9461          | 0.3709          | 2.3170                               | 2.1126                               |

|                        | Income          | Equalisation    | Distribution paid<br>29.09.23 | Distribution paid<br>30.09.22 |
|------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| U1 (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                | 2.5568          | –               | 2.5568                        | 2.4028                        |
| Group 2                | 1.2123          | 1.3445          | 2.5568                        | 2.4028                        |

|                              | Income          | Equalisation    | Distribution accumulated<br>29.09.23 | Distribution accumulated<br>30.09.22 |
|------------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| U1 (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                      | 3.4820          | –               | 3.4820                               | 3.1646                               |
| Group 2                      | 1.5298          | 1.9522          | 3.4820                               | 3.1646                               |

|                        | Income          | Equalisation    | Distribution paid<br>29.09.23 | Distribution paid<br>30.09.22 |
|------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| U2 (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                | 2.4901          | –               | 2.4901                        | 2.3382                        |
| Group 2                | 2.2219          | 0.2682          | 2.4901                        | 2.3382                        |

|                              | Income          | Equalisation    | Distribution accumulated<br>29.09.23 | Distribution accumulated<br>30.09.22 |
|------------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| U2 (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                      | 3.3439          | –               | 3.3439                               | 3.0366                               |
| Group 2                      | –               | 3.3439          | 3.3439                               | 3.0366                               |

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of revenue included in the purchase price of all Group 2 shares and is refunded to holders of these shares as a return of capital. Being capital, it is not liable to Income Tax but must be deducted from the cost of shares for Capital Gains Tax purposes.

## Merian UK Equity Income Fund

### Cumulative Performance (% change to 31 July 2023)

|                                      | 1 year | 3 years | 5 years | 10 years |
|--------------------------------------|--------|---------|---------|----------|
| Merian UK Equity Income Fund*        | 11.8   | 71.7    | 31.1    | 85.9     |
| FTSE All-Share Index (Benchmark)     | 6.1    | 41.8    | 18.1    | 71.1     |
| IA UK Equity Income (Sector Average) | 2.8    | 37.2    | 11.3    | 62.6     |
| Quartile Ranking                     | 1st    | 1st     | 1st     | 1st      |

\*Source: Morningstar, gross income reinvested net of fees, in GBP. The statistics disclosed above relate to I-Class Shares unless otherwise stated. Past performance is no guide to the future.

### Investment Objective and Policy

To achieve income and capital growth. In seeking to achieve its investment objective the sub-fund will aim to deliver an income, net of fees, greater than the yield of the FTSE All-Share Index and a total return (i.e. a combination of income and capital growth), net of fees, greater than the average return of the IA UK Equity Income sector over rolling 3 year periods.

The sub-fund primarily invests (at least 70%) in a portfolio of UK equities. UK equities are equities of companies domiciled or incorporated in the UK, or that conduct a significant part of their business in the UK.

The sub-fund may also invest in other transferable securities, units in collective investment schemes (including those managed or operated by the ACD or an associate of the ACD), warrants, money market instruments, deposits and derivatives, and may hold cash.

The sub-fund may use derivatives for investment purposes or Efficient Portfolio Management purposes. The use of derivatives for investment purposes may affect the volatility or risk profile of the sub-fund although this is not the ACD's intention.

### Market Review

The period under review began with a continuation of the equity market falls which characterised the first nine months of 2022, under pressure from persistently high rates of inflation and equally consistent rises in interest rates by the central banks of the US, UK and Europe. Investor hopes of an end to interest rate tightening were dashed throughout the period, as core rates of inflation and wage inflation were stubbornly high even as headline rates of inflation eased as energy prices fell.

The UK market also suffered the brief premiership of Liz Truss and her Chancellor Kwasi Kwarteng's disastrous expansionary budget, with the gilt market reacting with horror to its unfunded tax cuts. Their replacement by Rishi Sunak and Jeremy Hunt, revoking the fiscal easing, restored equanimity. This, and the fact that by the fourth quarter of 2022 too much bad news was reflected in share prices, saw equity markets begin to rally, led by more cyclical sectors, which had suffered the largest valuation contraction.

The rally continued at a more moderate pace for the rest of the period under review, despite a wobble in March 2023 as several US banks failed and Credit Suisse was rescued by UBS in a deal engineered by the Swiss authorities. Despite persistent fears of the UK economy falling into a recession, a strong labour market and wage growth sustained consumer spending throughout the year, albeit activity in the housing market slowed materially as mortgage rates rose alongside gilt yields.

### Policy Review

The income fund returned 11.8% over the year compared to the FTSE All Share Index at 6.1%. This was a pleasing performance and places the fund firmly in the top decile within the income sector.

Over the course of the year the main contributors to performance included MicroFocus, the software company, which was bid for in the period. Other strong contributors were Centrica, which has performed very well on the back of better operating performance and much improved balance sheet. Whitbread also showed very strong operational performance pushing its shares higher.

## Policy Review *(continued)*

Detractors in the period included Drax, which came back with elevated regulatory risks and power price deflation. Also negative were Mobico (the old National Express) where cyclical concerns alongside balance sheet risks pushed the shares lower.

During the course of the year, we sold down MicroFocus post sale but also disposed of positions in IMI and Synthomer, both due to cyclical concerns though the latter also with a balance sheet challenge.

Recycling all of the above went into new positions in several stocks each for individual reasons; these included Conduit Re, the reinsurance provider and Hays, the recruitment business and Experian.

## Investment Outlook

Inflation, interest rates and economic activity will determine the future direction of equity markets. Core rates of inflation and persistently elevated levels of wage growth – on track in the UK to spend a third consecutive year at or above 6% – mean central banks maintain a bias towards further interest rate tightening and no early move to cut rates.

Consumer spending in the US and UK remain buoyant, even if housing transactions in both countries have fallen materially as interest rates and bond yields have risen. Wage growth so exceeds central bank inflation targets of 2% that even if economic activity does slow significantly, it is hard to see central banks easing policy unless a material rise in unemployment curbs wage inflation.

The absence of easier monetary policy to some extent caps the upside for markets keen to benefit from the liquidity this would create. Indeed, further progress on quantitative tightening, as central banks unwind their holdings of government bonds, alongside high levels of government debt issuance, suggest the liquidity environment will remain tight. But companies continue to innovate, seek to mitigate rising input and wage costs, raise prices and protect margins. Meanwhile, the international 'subsidy war' to fund the energy transition means there are opportunities for many to benefit from such fiscal largesse.

We remain confident in the ability of our holdings to create value for shareholders even if the economic headwinds stiffen over the coming year.

The Authorised Corporate Director intends to close Merian UK Equity Income Fund on 24 November 2023.

August 2023



### Risk and Reward Profile



The calculated risk and reward category, as shown above, uses a method of calculation derived from EU rules. It is based on the rate at which the returns of the sub-fund have moved up and down in the past (i.e. volatility) and is not a guide to the future risk and reward category of the sub-fund. The category shown is not a target or guarantee and may shift over time. Even the lowest category 1 does not mean a risk-free investment. The seven-category scale is nonlinear, for example, 2 is not twice as risky as 1.

Sub-funds in category 6 have in the past shown relatively high volatility. With a sub-fund of category 6, you have a relatively high risk of losing money but your chance for gains is also relatively high.

## Comparative Tables

| Change in net asset per share       |                 |                 |                 |                 |                 |                 |
|-------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|                                     | L (GBP) Income  |                 |                 | I (GBP) Income  |                 |                 |
|                                     | 31.07.23<br>(p) | 31.07.22<br>(p) | 31.07.21<br>(p) | 31.07.23<br>(p) | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share   | 841.79          | 802.74          | 600.25          | 139.05          | 131.62          | 97.67           |
| Return before operating charges*    | 104.41          | 91.70           | 238.23          | 17.31           | 15.04           | 39.10           |
| Operating charges                   | (14.37)         | (14.06)         | (10.79)         | (1.30)          | (1.26)          | (1.07)          |
| Return after operating charges*     | 90.04           | 77.64           | 227.44          | 16.01           | 13.78           | 38.03           |
| Distributions on income shares      | (39.27)         | (38.59)         | (24.95)         | (6.52)          | (6.35)          | (4.08)          |
| Closing net asset value per share   | 892.56          | 841.79          | 802.74          | 148.54          | 139.05          | 131.62          |
| *after direct transaction costs of: | 1.99            | 1.22            | 1.05            | 0.33            | 0.20            | 0.19            |
| Performance                         |                 |                 |                 |                 |                 |                 |
| Return after charges (%)            | 10.70           | 9.67            | 37.89           | 11.51           | 10.47           | 38.94           |
| Other Information                   |                 |                 |                 |                 |                 |                 |
| Closing net asset value (£'000)     | 551             | 3,249           | 3,367           | 17,997          | 12,761          | 12,669          |
| Closing number of shares            | 61,775          | 385,984         | 419,500         | 12,116,184      | 9,177,398       | 9,625,564       |
| Operating charges (%)               | 1.65            | 1.65            | 1.65            | 0.90            | 0.90            | 0.90            |
| Direct transaction costs (%)        | 0.23            | 0.14            | 0.16            | 0.23            | 0.14            | 0.16            |
| Prices                              |                 |                 |                 |                 |                 |                 |
| Highest share price (p)             | 930.48          | 900.53          | 837.84          | 154.31          | 148.45          | 137.24          |
| Lowest share price (p)              | 774.47          | 798.38          | 580.52          | 128.12          | 131.49          | 94.57           |

| Change in net asset per share       |                 |                 |                 |                 |                 |                 |
|-------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|                                     | P (GBP) Income  |                 |                 | U1 (GBP) Income |                 |                 |
|                                     | 31.07.23<br>(p) | 31.07.22<br>(p) | 31.07.21<br>(p) | 31.07.23<br>(p) | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share   | 124.60          | 118.24          | 87.97           | 110.43          | 104.45          | 77.45           |
| Return before operating charges*    | 15.49           | 13.51           | 35.18           | 13.76           | 11.94           | 31.02           |
| Operating charges                   | (1.49)          | (1.45)          | (1.24)          | (0.96)          | (0.92)          | (0.78)          |
| Return after operating charges*     | 14.00           | 12.06           | 33.94           | 12.80           | 11.02           | 30.24           |
| Distributions on income shares      | (5.83)          | (5.70)          | (3.67)          | (5.18)          | (5.04)          | (3.24)          |
| Closing net asset value per share   | 132.77          | 124.60          | 118.24          | 118.05          | 110.43          | 104.45          |
| *after direct transaction costs of: | 0.30            | 0.18            | 0.17            | 0.27            | 0.16            | 0.15            |
| Performance                         |                 |                 |                 |                 |                 |                 |
| Return after charges (%)            | 11.24           | 10.20           | 38.58           | 11.59           | 10.55           | 39.04           |
| Other Information                   |                 |                 |                 |                 |                 |                 |
| Closing net asset value (£'000)     | 4,123           | 4,015           | 4,128           | 5,952           | 2,187           | 2,493           |
| Closing number of shares            | 3,105,111       | 3,222,264       | 3,491,464       | 5,042,058       | 1,980,389       | 2,387,125       |
| Operating charges (%)               | 1.15            | 1.15            | 1.15            | 0.825           | 0.825           | 0.825           |
| Direct transaction costs (%)        | 0.23            | 0.14            | 0.16            | 0.23            | 0.14            | 0.16            |
| Prices                              |                 |                 |                 |                 |                 |                 |
| Highest share price (p)             | 138.10          | 133.12          | 123.33          | 122.59          | 117.87          | 108.90          |
| Lowest share price (p)              | 114.76          | 117.95          | 85.14           | 101.77          | 104.39          | 75.00           |

## Comparative Tables *(continued)*

| Change in net asset per share       |                 |                 |                 |
|-------------------------------------|-----------------|-----------------|-----------------|
|                                     | U2 (GBP) Income |                 |                 |
|                                     | 31.07.23<br>(p) | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share   | 109.27          | 103.18          | 76.46           |
| Return before operating charges*    | 13.62           | 11.91           | 30.63           |
| Operating charges                   | (0.86)          | (0.83)          | (0.70)          |
| Return after operating charges*     | 12.76           | 11.08           | 29.93           |
| Distributions on income shares      | (5.12)          | (4.99)          | (3.21)          |
| Closing net asset value per share   | 116.91          | 109.27          | 103.18          |
| *after direct transaction costs of: | 0.26            | 0.16            | 0.15            |
| Performance                         |                 |                 |                 |
| Return after charges (%)            | 11.68           | 10.74           | 39.14           |
| Other Information                   |                 |                 |                 |
| Closing net asset value (£'000)     | 425             | 208             | 208             |
| Closing number of shares            | 363,142         | 190,772         | 200,956         |
| Operating charges (%)               | 0.75            | 0.75            | 0.75            |
| Direct transaction costs (%)        | 0.23            | 0.14            | 0.16            |
| Prices                              |                 |                 |                 |
| Highest share price (p)             | 121.36          | 116.61          | 107.67          |
| Lowest share price (p)              | 100.72          | 103.27          | 74.14           |

| Change in net asset per share                |                      |                 |                 |                      |                 |                 |
|--|----------------------|-----------------|-----------------|----------------------|-----------------|-----------------|
|  | L (GBP) Accumulation |                 |                 | I (GBP) Accumulation |                 |                 |
|  | 31.07.23<br>(p)      | 31.07.22<br>(p) | 31.07.21<br>(p) | 31.07.23<br>(p)      | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share            | 3,797.66             | 3,463.34        | 2,504.87        | 205.32               | 185.88          | 133.44          |
| Return before operating charges*             | 478.99               | 395.99          | 1,009.48        | 26.01                | 21.25           | 53.94           |
| Operating charges                            | (65.98)              | (61.67)         | (51.01)         | (1.97)               | (1.81)          | (1.50)          |
| Return after operating charges*              | 413.01               | 334.32          | 958.47          | 24.04                | 19.44           | 52.44           |
| Distribution on accumulation share           | (180.27)             | (169.18)        | (105.48)        | (9.78)               | (9.11)          | (5.64)          |
| Retained distributions on accumulation share | 180.27               | 169.18          | 105.48          | 9.78                 | 9.11            | 5.64            |
| Closing net asset value per share            | 4,210.67             | 3,797.66        | 3,463.34        | 229.36               | 205.32          | 185.88          |
| *after direct transaction costs of:          | 9.14                 | 5.37            | 4.96            | 0.50                 | 0.29            | 0.27            |
| Performance                                  |                      |                 |                 |                      |                 |                 |
| Return after charges (%)                     | 10.88                | 9.65            | 38.26           | 11.71                | 10.46           | 39.30           |
| Other Information                            |                      |                 |                 |                      |                 |                 |
| Closing net asset value (£'000)              | 5,446                | 4,228           | 3,859           | 24,928               | 12,320          | 9,567           |
| Closing number of shares                     | 129,348              | 111,326         | 111,426         | 10,868,307           | 5,999,852       | 5,147,026       |
| Operating charges (%)                        | 1.65                 | 1.65            | 1.65            | 0.90                 | 0.90            | 0.90            |
| Direct transaction costs (%)                 | 0.23                 | 0.14            | 0.16            | 0.23                 | 0.14            | 0.16            |
| Prices                                       |                      |                 |                 |                      |                 |                 |
| Highest share price (p)                      | 4,278.63             | 4,002.68        | 3,590.84        | 232.24               | 216.18          | 192.54          |
| Lowest share price (p)                       | 3,493.92             | 3,496.77        | 2,422.84        | 189.19               | 187.68          | 129.21          |

## Comparative Tables *(continued)*

| Change in net asset per share                |                      |                 |                 |                       |                 |                 |
|--|----------------------|-----------------|-----------------|-----------------------|-----------------|-----------------|
|  | P (GBP) Accumulation |                 |                 | U1 (GBP) Accumulation |                 |                 |
|  | 31.07.23<br>(p)      | 31.07.22<br>(p) | 31.07.21<br>(p) | 31.07.23<br>(p)       | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share            | 226.14               | 205.23          | 147.69          | 154.59                | 139.85          | 100.32          |
| Return before operating charges*             | 28.60                | 23.46           | 59.63           | 19.58                 | 15.99           | 40.56           |
| Operating charges                            | (2.75)               | (2.55)          | (2.09)          | (1.36)                | (1.25)          | (1.03)          |
| Return after operating charges*              | 25.85                | 20.91           | 57.54           | 18.22                 | 14.74           | 39.53           |
| Distribution on accumulation share           | (10.76)              | (10.05)         | (6.24)          | (7.37)                | (6.86)          | (4.24)          |
| Retained distributions on accumulation share | 10.76                | 10.05           | 6.24            | 7.37                  | 6.86            | 4.24            |
| Closing net asset value per share            | 251.99               | 226.14          | 205.23          | 172.81                | 154.59          | 139.85          |
| *after direct transaction costs of:          | 0.55                 | 0.32            | 0.29            | 0.38                  | 0.22            | 0.20            |
| Performance                                  |                      |                 |                 |                       |                 |                 |
| Return after charges (%)                     | 11.43                | 10.19           | 38.96           | 11.79                 | 10.54           | 39.40           |
| Other Information                            |                      |                 |                 |                       |                 |                 |
| Closing net asset value (£'000)              | 770                  | 644             | 593             | 8,219                 | 6,054           | 6,610           |
| Closing number of shares                     | 305,713              | 284,986         | 289,080         | 4,756,315             | 3,916,216       | 4,726,248       |
| Operating charges (%)                        | 1.15                 | 1.15            | 1.15            | 0.825                 | 0.825           | 0.825           |
| Direct transaction costs (%)                 | 0.23                 | 0.14            | 0.16            | 0.23                  | 0.14            | 0.16            |
| Prices                                       |                      |                 |                 |                       |                 |                 |
| Highest share price (p)                      | 255.46               | 238.18          | 212.65          | 174.93                | 162.75          | 144.85          |
| Lowest share price (p)                       | 208.27               | 207.22          | 142.96          | 142.47                | 141.21          | 97.15           |

| Change in net asset per share                |                       |                 |                 |
|--|-----------------------|-----------------|-----------------|
|  | U2 (GBP) Accumulation |                 |                 |
|  | 31.07.23<br>(p)       | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share            | 156.38                | 141.36          | 101.33          |
| Return before operating charges*             | 19.81                 | 16.16           | 40.96           |
| Operating charges                            | (1.26)                | (1.14)          | (0.93)          |
| Return after operating charges*              | 18.55                 | 15.02           | 40.03           |
| Distribution on accumulation share           | (7.46)                | (6.91)          | (4.29)          |
| Retained distributions on accumulation share | 7.46                  | 6.91            | 4.29            |
| Closing net asset value per share            | 174.93                | 156.38          | 141.36          |
| *after direct transaction costs of:          | 0.38                  | 0.22            | 0.20            |
| Performance                                  |                       |                 |                 |
| Return after charges (%)                     | 11.86                 | 10.63           | 39.50           |
| Other Information                            |                       |                 |                 |
| Closing net asset value (£'000)              | 160                   | 44              | 94              |
| Closing number of shares                     | 91,220                | 28,217          | 66,715          |
| Operating charges (%)                        | 0.75                  | 0.75            | 0.75            |
| Direct transaction costs (%)                 | 0.23                  | 0.14            | 0.16            |
| Prices                                       |                       |                 |                 |
| Highest share price (p)                      | 177.02                | 164.60          | 146.40          |
| Lowest share price (p)                       | 144.13                | 142.73          | 98.13           |

## Portfolio Statement

As at 31 July 2023

| Holding  | Investment           | Market value<br>£ | Total net assets<br>% |
|--|----------------------|-------------------|-----------------------|
| <b>UNITED KINGDOM - 93.64% (97.33%)</b>                      |                      |                   |                       |
| <b>Banks - 9.73% (9.11%)</b>                                 |                      |                   |                       |
| 963,601  | Barclays             | 1,493,196         | 2.18                  |
| 96,622   | Close Brothers Group | 887,956           | 1.29                  |
| 141,575  | HSBC Holdings        | 914,858           | 1.33                  |
| 284,226  | Standard Chartered   | 2,123,737         | 3.10                  |
| 710,753  | Virgin Money UK      | 1,253,768         | 1.83                  |
|  |                      | <hr/>             |                       |
|  |                      | 6,673,515         | 9.73                  |
| <b>Chemicals - 0.00% (1.69%)</b>                             |                      |                   |                       |
| <b>Construction and Materials - 0.94% (1.17%)</b>            |                      |                   |                       |
| 428,820  | lbstock              | 643,659           | 0.94                  |
|  |                      | <hr/>             |                       |
| <b>Electricity - 6.41% (7.48%)</b>                           |                      |                   |                       |
| 592,839  | Drax                 | 3,585,490         | 5.23                  |
| 47,994   | SSE                  | 808,939           | 1.18                  |
|  |                      | <hr/>             |                       |
|  |                      | 4,394,429         | 6.41                  |
| <b>Electronic and Electrical Equipment - 2.80% (3.57%)</b>   |                      |                   |                       |
| 623,703  | Rotork               | 1,923,500         | 2.80                  |
|  |                      | <hr/>             |                       |
| <b>Finance and Credit Services - 0.81% (1.04%)</b>           |                      |                   |                       |
| 151,354  | OSB                  | 555,772           | 0.81                  |
|  |                      | <hr/>             |                       |
| <b>Food Producers - 1.21% (1.23%)</b>                        |                      |                   |                       |
| 111,471  | Tate & Lyle          | 831,574           | 1.21                  |
|  |                      | <hr/>             |                       |
| <b>Gas, Water and Multiutilities - 5.39% (3.77%)</b>         |                      |                   |                       |
| 2,676,223  | Centrica             | 3,694,526         | 5.39                  |
|  |                      | <hr/>             |                       |
| <b>General Industrials - 1.66% (1.51%)</b>                   |                      |                   |                       |
| 366,039  | DS Smith             | 1,133,257         | 1.66                  |
|  |                      | <hr/>             |                       |
| <b>Household Goods and Home Construction - 1.51% (1.65%)</b> |                      |                   |                       |
| 907,971  | Taylor Wimpey        | 1,038,265         | 1.51                  |
|  |                      | <hr/>             |                       |
| <b>Industrial Metals and Mining - 3.78% (5.31%)</b>          |                      |                   |                       |
| 325,731  | Central Asia Metals  | 597,390           | 0.87                  |
| 421,725  | Glencore             | 1,996,868         | 2.91                  |
|  |                      | <hr/>             |                       |
|  |                      | 2,594,258         | 3.78                  |

## Portfolio Statement *(continued)*

As at 31 July 2023

| Holding   | Investment   | Market value<br>£ | Total net assets<br>% |
|-----------|--|-------------------|-----------------------|
|           | <b>Industrial Support Services - 2.79% (0.00%)</b>               |                   |                       |
| 38,391    | Experian   | 1,154,801         | 1.68                  |
| 709,844   | Hays   | 759,533           | 1.11                  |
|           |  | <hr/>             | <hr/>                 |
|           |  | 1,914,334         | 2.79                  |
|           | <b>Investment Banking and Brokerage Services - 1.41% (2.44%)</b> |                   |                       |
| 102,784   | St James's Place   | 966,170           | 1.41                  |
|           | <b>Life Insurance - 3.49% (4.01%)</b>                            |                   |                       |
| 183,159   | Aviva  | 711,389           | 1.04                  |
| 305,750   | Phoenix Group  | 1,681,625         | 2.45                  |
|           |  | <hr/>             | <hr/>                 |
|           |  | 2,393,014         | 3.49                  |
|           | <b>Media - 1.01% (0.00%)</b>                                     |                   |                       |
| 80,999    | WPP  | 689,787           | 1.01                  |
|           | <b>Medical Equipment and Services - 1.83% (0.00%)</b>            |                   |                       |
| 105,644   | Smith & Nephew   | 1,251,881         | 1.83                  |
|           | <b>Non-life Insurance - 1.65% (1.21%)</b>                        |                   |                       |
| 820,156   | Sabre Insurance Group  | 1,131,815         | 1.65                  |
|           | <b>Oil, Gas and Coal - 12.20% (13.73%)</b>                       |                   |                       |
| 430,730   | BP   | 2,080,426         | 3.03                  |
| 2,362,514 | Diversified Gas & Oil  | 2,238,482         | 3.27                  |
| 177,320   | Energiean  | 2,053,366         | 2.99                  |
| 84,294    | Shell  | 1,993,975         | 2.91                  |
|           |  | <hr/>             | <hr/>                 |
|           |  | 8,366,249         | 12.20                 |
|           | <b>Personal Care, Drug and Grocery Stores - 1.74% (2.11%)</b>    |                   |                       |
| 460,845   | Tesco  | 1,188,980         | 1.74                  |
|           | <b>Pharmaceuticals and Biotechnology - 7.73% (8.02%)</b>         |                   |                       |
| 18,365    | AstraZeneca (UK Listing)   | 2,053,942         | 2.99                  |
| 164,214   | GSK  | 2,273,050         | 3.31                  |
| 291,419   | Haleon   | 980,042           | 1.43                  |
|           |  | <hr/>             | <hr/>                 |
|           |  | 5,307,034         | 7.73                  |
|           | <b>Real Estate Investment Trusts - 0.97% (1.00%)</b>             |                   |                       |
| 870,781   | Supermarket Income   | 663,535           | 0.97                  |

## Portfolio Statement *(continued)*

As at 31 July 2023

| Holding  | Investment                    | Market value<br>£ | Total net assets<br>% |
|--|-------------------------------|-------------------|-----------------------|
| <b>Retailers - 6.45% (5.62%)</b>                           |                               |                   |                       |
| 60,547   | Dunelm                        | 696,291           | 1.01                  |
| 23,145   | Next                          | 1,630,797         | 2.38                  |
| 304,099  | Pets at Home                  | 1,193,284         | 1.74                  |
| 60,791   | WH Smith                      | 907,002           | 1.32                  |
|  |                               | 4,427,374         | 6.45                  |
| <b>Software and Computer Services - 5.13% (7.22%)</b>      |                               |                   |                       |
| 502,505  | Moneysupermarket.com          | 1,376,864         | 2.01                  |
| 228,331  | Sage                          | 2,138,091         | 3.12                  |
|  |                               | 3,514,955         | 5.13                  |
| <b>Tobacco - 2.99% (5.64%)</b>                             |                               |                   |                       |
| 25,627   | British American Tobacco      | 670,274           | 0.98                  |
| 75,033   | Imperial Brands               | 1,379,857         | 2.01                  |
|  |                               | 2,050,131         | 2.99                  |
| <b>Travel and Leisure - 10.01% (8.80%)</b>                 |                               |                   |                       |
| 186,311  | Entain                        | 2,582,270         | 3.77                  |
| 984,104  | National Express              | 918,169           | 1.34                  |
| 95,991   | Whitbread                     | 3,358,725         | 4.90                  |
|  |                               | 6,859,164         | 10.01                 |
| <b>BERMUDA - 2.09% (0.00%)</b>                             |                               |                   |                       |
| <b>Non-life Insurance - 2.09% (0.00%)</b>                  |                               |                   |                       |
| 295,114  | Conduit                       | 1,432,778         | 2.09                  |
| <b>IRELAND - 1.78% (1.53%)</b>                             |                               |                   |                       |
| <b>Construction and Materials - 1.78% (1.53%)</b>          |                               |                   |                       |
| 26,195   | CRH (UK Listing)              | 1,217,806         | 1.78                  |
| <b>MAURITIUS - 0.14% (0.22%)</b>                           |                               |                   |                       |
| <b>Real Estate Investment and Services - 0.14% (0.22%)</b> |                               |                   |                       |
| 330,002  | Grit Real Estate Income Group | 99,001            | 0.14                  |
|  | Total value of investments    | 66,956,763        | 97.65                 |
|  | Net other assets              | 1,613,958         | 2.35                  |
|  | <b>Net assets</b>             | 68,570,721        | 100.00                |

All holdings are ordinary shares or stock units unless otherwise stated.  
The figures in brackets show allocations as at 31 July 2022.

| Asset allocation |                |
|------------------|----------------|
| Equities         | 97.65%         |
| Net other assets | 2.35%          |
| <b>Total</b>     | <b>100.00%</b> |

| Portfolio allocation                      |                |
|---|----------------|
| Oil, Gas and Coal                         | 12.20%         |
| Travel and Leisure                        | 10.01%         |
| Banks                                     | 9.73%          |
| Pharmaceuticals and Biotechnology         | 7.73%          |
| Retailers                                 | 6.45%          |
| Electricity                               | 6.41%          |
| Gas, Water and Multiutilities             | 5.39%          |
| Software and Computer Services            | 5.13%          |
| Industrial Metals and Mining              | 3.78%          |
| Non-life Insurance                        | 3.74%          |
| Life Insurance                            | 3.49%          |
| Tobacco                                   | 2.99%          |
| Electronic and Electrical Equipment       | 2.80%          |
| Industrial Support Services               | 2.79%          |
| Construction and Materials                | 2.72%          |
| Medical Equipment and Services            | 1.83%          |
| Personal Care, Drug and Grocery Stores    | 1.74%          |
| General Industrials                       | 1.66%          |
| Household Goods and Home Construction     | 1.51%          |
| Investment Banking and Brokerage Services | 1.41%          |
| Food Producers                            | 1.21%          |
| Media                                     | 1.01%          |
| Real Estate Investment Trusts             | 0.97%          |
| Finance and Credit Services               | 0.81%          |
| Real Estate Investment and Services       | 0.14%          |
| Net other assets                          | 2.35%          |
| <b>Total</b>                              | <b>100.00%</b> |

| Major holdings            | Percentage of portfolio |
|---------------------------|-------------------------|
| Centrica                  | 5.39%                   |
| Drax                      | 5.23%                   |
| Whitbread                 | 4.90%                   |
| Entain                    | 3.77%                   |
| GSK                       | 3.31%                   |
| Diversified Gas & Oil     | 3.27%                   |
| Sage                      | 3.12%                   |
| Standard Chartered        | 3.10%                   |
| BP                        | 3.03%                   |
| AstraZeneca (UK Listing)  | 2.99%                   |
| <b>Number of holdings</b> | <b>47</b>               |



## Statement of Total Return

| For the year ended 31 July 2023   |      |                  |                     |                  |                     |
|---|------|------------------|---------------------|------------------|---------------------|
|   | Note | Year to 31.07.23 |                     | Year to 31.07.22 |                     |
|   |      | £'000            | £'000               | £'000            | £'000               |
| Income  |      |                  |                     |                  |                     |
| Net capital gains   | 2    |                  | 4,546               |                  | 2,765               |
| Revenue   | 3    | 2,597            |                     | 2,095            |                     |
| Expenses  | 4    | (577)            |                     | (470)            |                     |
| Net revenue before taxation   |      | <u>2,020</u>     |                     | <u>1,625</u>     |                     |
| Taxation  | 5    | (35)             |                     | (34)             |                     |
| Net revenue after taxation  |      |                  | <u>1,985</u>        |                  | <u>1,591</u>        |
| <b>Total return before distributions</b>  |      |                  | <b>6,531</b>        |                  | <b>4,356</b>        |
| Distributions   | 6    |                  | (2,553)             |                  | (2,055)             |
| <b>Change in net assets attributable to shareholders from investment activities</b> |      |                  | <b><u>3,978</u></b> |                  | <b><u>2,301</u></b> |

## Statement of Change in Net Assets Attributable to Shareholders

| For the year ended 31 July 2023  |                  |                      |                  |                      |
|--|------------------|----------------------|------------------|----------------------|
|  | Year to 31.07.23 |                      | Year to 31.07.22 |                      |
|  | £'000            | £'000                | £'000            | £'000                |
| <b>Opening net assets attributable to shareholders</b>                       |                  | <b>45,710</b>        |                  | <b>43,589</b>        |
| Amounts receivable on issue of shares  | 28,353           |                      | 7,274            |                      |
| Amounts payable on cancellation of shares                                    | (10,960)         |                      | (8,465)          |                      |
|  |                  | <u>17,393</u>        |                  | <u>(1,191)</u>       |
| Change in net assets attributable to shareholders from investment activities |                  | 3,978                |                  | 2,301                |
| Unclaimed distributions  |                  | 21                   |                  | 21                   |
| Retained distribution on accumulation shares                                 |                  | 1,469                |                  | 990                  |
| <b>Closing net assets attributable to shareholders</b>                       |                  | <b><u>68,571</u></b> |                  | <b><u>45,710</u></b> |

The notes on pages 135 and 146 form an integral part of these financial statements.

## Balance Sheet

### As at 31 July 2023

|  | Note | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--|------|-------------------|-------------------|
| <b>Assets</b>                                  |      |                   |                   |
| Fixed Assets:                                  |      |                   |                   |
| Investments                                    |      | –                 | 45,288            |
| Current assets:                                |      |                   |                   |
| Investments                                    |      | 66,957            | –                 |
| Debtors  | 7    | 250               | 561               |
| Cash and bank balances                         | 8    | 1,702             | 329               |
| Total assets                                   |      | 68,909            | 46,178            |
| <b>Liabilities</b>                             |      |                   |                   |
| Creditors:                                     |      |                   |                   |
| Distributions payable                          |      | (289)             | (220)             |
| Other creditors                                | 9    | (49)              | (248)             |
| Total liabilities                              |      | (338)             | (468)             |
| <b>Net assets attributable to shareholders</b> |      | <b>68,571</b>     | <b>45,710</b>     |

The notes on pages 135 to 146 form an integral part of these financial statements.

## Notes to the Financial Statements

### 1. Significant Accounting Policies

The summary of applicable accounting policies adopted by the Merian UK Equity Income Fund are included on pages 234 to 236.

### 2. Net Capital Gains

The net gains on investments during the year comprise:

|  | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--|-------------------|-------------------|
| Currency losses                                    | (3)               | –                 |
| Gains on non-derivative securities                 | 4,551             | 2,765             |
| Losses on forward currency contracts (see Note 12) | (2)               | –                 |
| <b>Net capital gains</b>                           | <b>4,546</b>      | <b>2,765</b>      |

### 3. Revenue

|                      | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|----------------------|-------------------|-------------------|
| UK dividends         | 2,039             | 1,722             |
| Overseas dividends   | 516               | 329               |
| Bank interest        | 9                 | –                 |
| Revenue from REITs   | 33                | 44                |
| <b>Total revenue</b> | <b>2,597</b>      | <b>2,095</b>      |

### 4. Expenses

|  | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--|-------------------|-------------------|
| <b>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</b> |                   |                   |
| Fixed Annual Charge*   | 577               | 34                |
| Fixed Ongoing Charge   | –                 | 436               |
| <b>Total expenses</b>  | <b>577</b>        | <b>470</b>        |

\*This figure represent the Fixed Annual Charge, which covers all fees payable by the sub-fund to the Authorised Corporate Director, Investment adviser, Depositary (including associates etc.) and other expenses.

The audit fee for the year, excluding VAT, was £8,850 (31.07.2022: £8,500).

## Notes to the Financial Statements *(continued)*

### 5. Taxation

#### (a) Analysis of charge in the year:

|                                      | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--------------------------------------|-------------------|-------------------|
| Irrecoverable overseas tax           | 35                | 34                |
| <b>Total tax charge for the year</b> | <b>35</b>         | <b>34</b>         |

#### (b) Factors affecting total tax charge for the year:

The tax assessed for the year is lower (2022: lower) than the standard rate of Corporation Tax in the UK for an open-ended investment company. The differences are explained below:

|                                      | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--------------------------------------|-------------------|-------------------|
| Net revenue before taxation          | 2,020             | 1,625             |
| Corporation tax of 20% (2022: 20%)   | 404               | 325               |
| <b>Effects of:</b>                   |                   |                   |
| Current year expenses not utilised   | 109               | 85                |
| Revenue not subject to taxation      | (511)             | (411)             |
| Irrecoverable overseas tax           | 35                | 34                |
| Tax due to timing differences        | (2)               | 1                 |
| <b>Total tax charge for the year</b> | <b>35</b>         | <b>34</b>         |

OEICs are exempt from tax on capital gains, therefore any capital return is not included in the above reconciliation.

#### (c) Provision for Deferred Tax

At 31 July 2023, there are surplus management expenses of £19,852,743 (31.07.22: £19,307,052). It is unlikely the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore a Deferred Tax asset of £3,970,549 (31.07.22: £3,861,410) has not been recognised.

## Notes to the Financial Statements *(continued)*

### 6. Distributions

The distributions take account of amounts received on the issue of shares and deducted on the cancellation of shares and comprise:

|   | 31.07.23<br>£'000   | 31.07.22<br>£'000   |
|---|---------------------|---------------------|
| 1st interim distribution  | 642                 | 559                 |
| 2nd interim distribution  | 347                 | 266                 |
| 3rd interim distribution  | 1,002               | 774                 |
| Final distribution  | 678                 | 446                 |
|   | <u>2,669</u>        | <u>2,045</u>        |
| Amounts received on issue of shares                                   | (180)               | (43)                |
| Amounts paid on cancellation of shares                                | 64                  | 53                  |
| <b>Net distributions for the year</b>                                 | <u><b>2,553</b></u> | <u><b>2,055</b></u> |
| <b>Reconciliation of net revenue after taxation to distributions:</b> |                     |                     |
| Net revenue after taxation  | 1,985               | 1,591               |
| Charges borne by capital  | 577                 | 472                 |
| Tax relief on capitalised expenses                                    | (9)                 | (8)                 |
| <b>Net distributions for the year</b>                                 | <u><b>2,553</b></u> | <u><b>2,055</b></u> |

Details of the distributions in pence per share are shown in the Distribution Tables on pages 147 to 154.

### 7. Debtors

|  | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--|-------------------|-------------------|
| Accrued revenue                        | 115               | 143               |
| Amounts receivable for issue of shares | 133               | 335               |
| Overseas tax recoverable               | 1                 | 1                 |
| Sales awaiting settlement              | –                 | 81                |
| PID tax recoverable                    | 1                 | 1                 |
| <b>Total debtors</b>                   | <u><b>250</b></u> | <u><b>561</b></u> |

### 8. Cash and Bank Balances

|                                     | 31.07.23<br>£'000   | 31.07.22<br>£'000 |
|-------------------------------------|---------------------|-------------------|
| Cash and bank balances              | 1,702               | 329               |
| <b>Total cash and bank balances</b> | <u><b>1,702</b></u> | <u><b>329</b></u> |

## Notes to the Financial Statements *(continued)*

### 9. Other Creditors

|  | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--|-------------------|-------------------|
| Accrued expenses                           | 13                | 9                 |
| Amounts payable for cancellation of shares | 36                | 139               |
| Purchases awaiting settlement              | –                 | 100               |
| <b>Total other creditors</b>               | <b>49</b>         | <b>248</b>        |

### 10. Contingent Assets, Liabilities and Capital Commitments

The sub-fund had no contingent assets, liabilities or capital commitments at the balance sheet date (31.07.22: £nil).

### 11. Related Party Transactions

Jupiter Fund Managers Limited (prior to 14 November 2022) and Jupiter Unit Trust Managers Limited thereafter as ACD, is a related party, and acts as principal in respect of all transactions of shares in each sub-fund. The aggregate monies received on issue and paid on cancellation are disclosed in the Statement of change in net assets attributable to shareholders on page 133. Any amounts due to or from the ACD at the end of the accounting year in respect of transactions of shares in each sub-fund are disclosed in Notes 7 (Debtors) and 9 (Other Creditors).

Amounts receivable/(payable) from the ACD in respect of issues/cancellations are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. At the year end, a net balance of £96,927 was receivable from the ACD (31.07.22: £195,613 receivable from the ACD). These amounts are included in amounts receivable for issue of shares in Note 7 and amounts payable for cancellation of shares in Note 9.

Amounts paid to the ACD in respect of fund management is presented as Fixed Annual Charge in Note 4 (Expenses). At the year end, £12,643 (31.07.22: £9,031) was payable to the ACD. This amount is included as part of accrued expenses in Note 9.

### 12. Financial Instruments

#### Financial Instrument Risk

The sub-fund, in pursuing its investment objective, may hold a range of financial instruments in line with its investment policy.

The ACD has established a risk management policy and permanent risk management function to identify, measure, monitor and manage all risks relevant to the sub-fund. This is designed to meet the key requirements of investor protection and to ensure compliance with the FCA's regulatory requirements.

Adherence to the investment guidelines and the investment and borrowing powers as set out in the Prospectus and in the rules of the Regulations also mitigates the risk of excessive exposure to any particular type of security or issuer. Further information on the investment portfolio is set out in the Investment Adviser's review and the Portfolio statement of each sub-fund.

The main risks arising from financial instruments are market price, foreign currency, interest rate, liquidity, credit, and counterparty risk which are summarised below.

## Notes to the Financial Statements *(continued)*

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### 12. Financial Instruments *(continued)*

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#### Market Risk

Market risk arises from uncertainty about future prices of financial instruments held. The main source of risk to the sub-fund is the potential movement in the value of financial instruments held as a result of price fluctuations. Stock market prices can move erratically and be unpredictably affected by diverse factors including political and economic events but also rumours and sentiment. The ACD adheres to the investment guidelines and borrowing powers set out within the Prospectus and the COLL Sourcebook. In this way the ACD monitors and controls the exposure to risk from any type of security, sector or issuer. The sub-fund may also use derivative instruments to mitigate this risk and reduce cost.

#### Market Price Risk Sensitivity

A five percent market movement in the price of investments held by the sub-fund, with all other variables remaining constant, would result in an increase or decrease on net asset value of the sub-fund by approximately £3,347,838 or 4.88% of NAV (31.07.2022: £2,264,394 or 4.95% of NAV).

#### Foreign Currency Risk

A proportion of the sub-fund's financial assets and liabilities are invested overseas. As a result, movements in exchange rates may affect the market price of investments and, due to timing differences between the transaction dates of investment sales, purchases and income, and actual cash settlement, create currency exchange gains/losses. The Investment Adviser does seek to reduce some of this risk by using forward currency contracts. At the year end, the fund had no foreign currency investments (31.07.22: nil).

#### Foreign Currency Risk Sensitivity

In the event of changes in exchange rates, there would be no material impact upon the assets of the sub-fund.

## Notes to the Financial Statements *(continued)*

### 12. Financial Instruments *(continued)*

#### Interest Rate Risk

Interest rate risk is the risk of movements in the value of financial instruments as a result of fluctuations in interest rates. The interest rate risk profile of the sub-fund's financial assets and liabilities at the year end were as follows:

| Currency        | Floating Rate<br>financial assets<br>£'000 | Fixed Rate<br>financial assets<br>£'000 | Financial assets<br>not carrying interest<br>£'000 | Total<br>£'000 |
|-----------------|--|---|--|----------------|
| <b>31.07.23</b> |  |   |  |                |
| Sterling        | 1,702                                      | –                                       | 67,207   | 68,909         |
| <b>Total</b>    | <b>1,702</b>                               | <b>–</b>                                | <b>67,207</b>                                      | <b>68,909</b>  |
| <b>31.07.22</b> |  |   |  |                |
| Sterling        | 329  | –                                       | 45,849   | 46,178         |
| <b>Total</b>    | <b>329</b>                                 | <b>–</b>                                | <b>45,849</b>                                      | <b>46,178</b>  |

| Currency        | Floating Rate<br>financial liabilities<br>£'000 | Fixed Rate<br>financial liabilities<br>£'000 | Financial liabilities<br>not carrying interest<br>£'000 | Total<br>£'000 |
|-----------------|---|--|---|----------------|
| <b>31.07.23</b> |   |  |   |                |
| Sterling        | –   | –  | 338   | 338            |
| <b>Total</b>    | <b>–</b>  | <b>–</b>                                     | <b>338</b>  | <b>338</b>     |
| <b>31.07.22</b> |   |  |   |                |
| Sterling        | –   | –  | 468   | 468            |
| <b>Total</b>    | <b>–</b>  | <b>–</b>                                     | <b>468</b>  | <b>468</b>     |

There are no material amounts of non interest-bearing financial assets, which do not have maturity dates, other than equities, and therefore no sensitivity analysis has been disclosed in these financial statements.

The floating rate financial assets and liabilities include bank balances and overdrafts that bear interest. Interest rates on Sterling and overseas bank balances as supplied by the custodian may vary in line with market conditions and the size of deposit. Overdraft interest is calculated at the current Bank of England base rate plus 1.00%.

#### Liquidity Risk

The sub-fund's assets comprise mainly of readily realisable securities which can be sold promptly to meet liquidity requirements. The main source of this risk comes from the obligation to shareholders to meet any cancellation of shares.

Assets from the sub-fund may need to be sold to meet any redemption proceeds. As part of its operating duties the ACD regularly monitors the liquidity levels held on the sub-fund (cash and underlying securities) to ensure any redemption can be readily met. Some investments may be less liquid than other securities and can be more sensitive to economic factors. The rules of the Regulations mitigate the risk of excessive exposure to assets which are not readily realisable.



## Notes to the Financial Statements *(continued)*

### 12. Financial Instruments *(continued)*

#### Credit Risk

Credit risk is the risk of suffering loss due to another party not meeting its financial obligation. The risk is managed by the Investment Adviser who monitors the credit profile of financial instruments in accordance with the objective and policy of the sub-fund.

Adherence to the investment guidelines and the investment and borrowing powers as set out in the Prospectus and in the rules of the Regulations also mitigates the risk of excessive exposure to any particular type of security or issuer. Further information on the investment portfolio is set out in the Investment Adviser's review and the Portfolio Statement.

#### Counterparty Risk

Certain transactions in financial instruments that a sub-fund enters into have the risk that the counterparty will not meet its financial obligations, i.e. the investment (purchase) or cash (sale) after the sub-fund has fulfilled its responsibilities.

The sub-fund will only buy and sell investments through brokers which have been approved by the ACD and Investment Adviser as an acceptable counterparty. This is overseen by the Depositary to ensure that the exposure to any counterparty remains appropriate for investors.

#### Use of Derivatives

The Manager made use of the following derivatives during the year under review:

##### Forward Foreign Currency Contracts

The Manager made use of forward foreign currency contracts during the year in order to hedge out some of the currency exposure in the Fund. This resulted in realised losses of £1,609 to the Fund during the year (31.07.22: £nil). All contracts were undertaken with Northern Trust as counterparty during the year. There are no outstanding contracts at the year end.

##### Global Exposure

The Investment Adviser assesses the market risk of the Merian UK Equity Income Fund, including any derivative exposures, using a commitment approach. All exposure arising through the investment in financial derivative instruments will be covered by the underlying assets of the sub-fund. The sub-fund uses the commitment approach methodology to measure, monitor and manage the "leverage" effect produced by the use of financial derivative instruments and for the calculation of global exposure. As the sub-fund uses the commitment approach it must ensure that its global exposure does not exceed its total net asset value and sub-fund may not therefore be leveraged in excess of 100% of its net asset value. In using the commitment approach for the calculation of global exposure, the sub-fund will convert each derivative position into the market value of an equivalent position in the underlying asset of that derivative. Using the commitment approach, the global exposure is 0.00% (31.07.22: 0.00%).

## Notes to the Financial Statements *(continued)*

### 13. Fair Value of Financial Assets and Liabilities

There is no material difference between the carrying value of the financial assets and liabilities, as shown in the Balance sheet, and their fair value.

**The fair value of investments has been determined using the following hierarchy:**

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Level 3: Valuation techniques using unobservable inputs.

| Basis of valuation | Assets<br>£'000 | Liabilities<br>£'000 |
|--------------------|-----------------|----------------------|
| <b>31.07.23</b>    |                 |                      |
| Level 1            | 66,957          | –                    |
| Level 2            | –               | –                    |
| Level 3            | –               | –                    |
| <b>Total</b>       | <b>66,957</b>   | <b>–</b>             |

| Basis of valuation | Assets<br>£'000 | Liabilities<br>£'000 |
|--------------------|-----------------|----------------------|
| <b>31.07.22</b>    |                 |                      |
| Level 1            | 45,288          | –                    |
| Level 2            | –               | –                    |
| Level 3            | –               | –                    |
| <b>Total</b>       | <b>45,288</b>   | <b>–</b>             |

## Notes to the Financial Statements *(continued)*

### 13. Fair Value of Financial Assets and Liabilities *(continued)*

The majority of financial instruments are classified as level 1: Quoted prices.

Generally for the non-market traded and unquoted securities, where there is no price source from an active market for an investment, the ACD has applied judgement in determining the fair value. The ACD has used several valuation methodologies as prescribed in the International Private Equity and Venture Capital valuation guidelines to arrive at their best estimate of fair value. Valuation techniques used by the ACD are set out in Significant Accounting Policies (j). The fair value is established by using measures of value such as:

- **Price of recent transactions** — Management determine the fair value based on the price of recent transactions made by management or a third party.
- **Milestone analysis** — Management assess the investment company's progress against milestones expected at the time of investment in order to determine whether an adjustment is required to the transaction price to determine fair value.
- **Multiples** — Earnings or Revenue multiples are selected from comparable public companies based on geographic location, industry, size, risk profile, earnings growth prospects, target markets and other factors that management consider reasonable. A discount for lack of liquidity may then be applied to represent the adjustment to comparable company multiples to reflect the illiquidity of the portfolio companies relative to the comparable peer group. Management determines the discount for lack of liquidity based on its judgement, after considering market liquidity conditions and company specific factors such as the development stage of the portfolio company. Among the most common forms of multiples used for cash generating companies are EV/EBITDA and EV/Revenue multiples, generally seen to represent a good proxy for free cash flow and company performance. These are applied where appropriate based on the development of underlying portfolio companies but other inputs such as comparable company share price movements may also be considered.
- **Net assets** — Management determine the fair value based on the net asset value of the underlying portfolio company.

In applying the above valuation techniques in arriving at the fair value the ACD has assessed any further information available from internal and external sources to arrive at an estimated fair value, which includes but is not limited to the following:

- Reference to listed securities of the same company.
- Consideration of seniority of the securities held and terms of repayment upon realisation.
- Consideration of any trading restrictions on the investment company's shares that would limit ACD's ability to realise its holding.
- Consideration of any outstanding payments to be made by ACD.
- Industry statistics or events (such as mergers and acquisitions).

## Notes to the Financial Statements *(continued)*

### 14. Portfolio Transaction Costs

For the year ended 31 July 2023

|  | Equities<br>£'000 | %    | Total<br>£'000 |
|--|-------------------|------|----------------|
| <b>31.07.23</b>                            |                   |      |                |
| <b>Analysis of total purchases costs</b>   |                   |      |                |
| Purchases in year before transaction costs | 27,796            |      | 27,796         |
| Commissions                                | 10                | 0.04 | 10             |
| Expenses and other charges                 | 116               | 0.42 | 116            |
|  | 126               |      | 126            |
| Purchases including transaction costs      | 27,922            |      | 27,922         |
| <b>Analysis of total sales costs</b>       |                   |      |                |
| Sales in year before transaction costs     | 10,809            |      | 10,809         |
| Commissions                                | (4)               | 0.04 | (4)            |
|  | (4)               |      | (4)            |
| Sales net of transaction costs             | 10,805            |      | 10,805         |

Commissions, taxes and expenses and other charges as % of average net assets:

|                            |       |
|----------------------------|-------|
| Commissions                | 0.03% |
| Expenses and other charges | 0.20% |

The average portfolio dealing spread as at the balance sheet date was 0.08%.

## Notes to the Financial Statements *(continued)*

### 14. Portfolio Transaction Costs *(continued)*

For the year ended 31 July 2022

|  | Equities<br>£'000 | %    | Total<br>£'000 |
|--|-------------------|------|----------------|
| <b>31.07.22</b>                            |                   |      |                |
| <b>Analysis of total purchases costs</b>   |                   |      |                |
| Purchases in year before transaction costs | 12,236            |      | 12,236         |
| Commissions                                | 5                 | 0.04 | 5              |
| Expenses and other charges                 | 55                | 0.45 | 55             |
|  | <u>60</u>         |      | <u>60</u>      |
| Purchases including transaction costs      | 12,296            |      | 12,296         |
| <b>Analysis of total sales costs</b>       |                   |      |                |
| Sales in year before transaction costs     | 13,362            |      | 13,362         |
| Commissions                                | (5)               | 0.04 | (5)            |
|  | <u>(5)</u>        |      | <u>(5)</u>     |
| Sales net of transaction costs             | 13,357            |      | 13,357         |

Commissions, taxes and expenses and other charges as % of average net assets:

|                            |       |
|----------------------------|-------|
| Commissions                | 0.02% |
| Expenses and other charges | 0.12% |

The average portfolio dealing spread as at the balance sheet date was 0.14%.

## Notes to the Financial Statements *(continued)*

### 15. Shareholders' Funds

The net asset value of each share class, net asset value per share and the number of shares in issue are given in the comparative tables for each sub-fund.

The share classes currently in issue and the Fixed Annual Charge of each share class are shown below.

| Share Class                  | 31.07.23 | 31.07.22 |
|------------------------------|----------|----------|
| L (GBP) Income Shares        | 1.65%    | 1.65%    |
| L (GBP) Accumulation Shares  | 1.65%    | 1.65%    |
| I (GBP) Income Shares        | 0.90%    | 0.90%    |
| I (GBP) Accumulation Shares  | 0.90%    | 0.90%    |
| P (GBP) Income Shares        | 1.15%    | 1.15%    |
| P (GBP) Accumulation Shares  | 1.15%    | 1.15%    |
| U1 (GBP) Income Shares       | 0.825%   | 0.825%   |
| U1 (GBP) Accumulation Shares | 0.825%   | 0.825%   |
| U2 (GBP) Income Shares       | 0.75%    | 0.75%    |
| U2 (GBP) Accumulation Shares | 0.75%    | 0.75%    |

| Reconciliation of Shares                  | L (GBP)<br>Income | L (GBP)<br>Accumulation | I (GBP)<br>Income | I (GBP)<br>Accumulation |
|---|-------------------|-------------------------|-------------------|-------------------------|
| Opening number of shares at 1 August 2022 | 385,984           | 111,326                 | 9,177,398         | 5,999,852               |
| Shares issued in year                     | 30,033            | 75,510                  | 2,782,491         | 6,042,718               |
| Shares cancelled in year                  | (32,001)          | (11,912)                | (1,733,808)       | (2,002,213)             |
| Shares converted in year                  | (322,241)         | (45,576)                | 1,890,103         | 827,950                 |
| Closing number of shares at 31 July 2023  | 61,775            | 129,348                 | 12,116,184        | 10,868,307              |

| Reconciliation of Shares                  | P (GBP)<br>Income | P (GBP)<br>Accumulation | U1 (GBP)<br>Income | U1 (GBP)<br>Accumulation |
|---|-------------------|-------------------------|--------------------|--------------------------|
| Opening number of shares at 1 August 2022 | 3,222,264         | 284,986                 | 1,980,389          | 3,916,216                |
| Shares issued in year                     | 78,630            | 63,656                  | 3,454,332          | 2,321,440                |
| Shares cancelled in year                  | (191,525)         | (48,458)                | (370,412)          | (1,481,341)              |
| Shares converted in year                  | (4,258)           | 5,529                   | (22,251)           | –                        |
| Closing number of shares at 31 July 2023  | 3,105,111         | 305,713                 | 5,042,058          | 4,756,315                |

| Reconciliation of Shares                  | U2 (GBP)<br>Income | U2 (GBP)<br>Accumulation |
|---|--------------------|--------------------------|
| Opening number of shares at 1 August 2022 | 190,772            | 28,217                   |
| Shares issued in year                     | 89,999             | 86,943                   |
| Shares cancelled in year                  | (29,719)           | (15,972)                 |
| Shares converted in year                  | 112,090            | (7,968)                  |
| Closing number of shares at 31 July 2023  | 363,142            | 91,220                   |

## Distribution Tables

For the quarter ended 31 October 2022

### FIRST INTERIM

Group 1: Shares purchased prior to 1 August 2022

Group 2: Shares purchased on or after 1 August 2022 to 31 October 2022

|                       | Revenue         | Equalisation    | Distribution paid<br>30.12.22 | Distribution paid<br>31.12.21 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| L (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 10.9810         | –               | 10.9810                       | 10.4745                       |
| Group 2               | 2.9454          | 8.0356          | 10.9810                       | 10.4745                       |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>30.12.22 | Distribution accumulated<br>31.12.21 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| L (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 49.5480         | –               | 49.5480                              | 45.1904                              |
| Group 2                     | 12.1596         | 37.3884         | 49.5480                              | 45.1904                              |

|                       | Revenue         | Equalisation    | Distribution paid<br>30.12.22 | Distribution paid<br>31.12.21 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| I (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 1.8152          | –               | 1.8152                        | 1.7186                        |
| Group 2               | 0.2525          | 1.5627          | 1.8152                        | 1.7186                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>30.12.22 | Distribution accumulated<br>31.12.21 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| I (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 2.6809          | –               | 2.6809                               | 2.4270                               |
| Group 2                     | 0.1947          | 2.4862          | 2.6809                               | 2.4270                               |

|                       | Revenue         | Equalisation    | Distribution paid<br>30.12.22 | Distribution paid<br>31.12.21 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| P (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 1.6263          | –               | 1.6263                        | 1.5435                        |
| Group 2               | 0.2909          | 1.3354          | 1.6263                        | 1.5435                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>30.12.22 | Distribution accumulated<br>31.12.21 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| P (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 2.9516          | –               | 2.9516                               | 2.6790                               |
| Group 2                     | 0.6998          | 2.2518          | 2.9516                               | 2.6790                               |

## Distribution Tables *(continued)*

### For the quarter ended 31 October 2022

#### FIRST INTERIM

Group 1: Shares purchased prior to 1 August 2022

Group 2: Shares purchased on or after 1 August 2022 to 31 October 2022

|                        | Revenue         | Equalisation    | Distribution paid<br>30.12.22 | Distribution paid<br>31.12.21 |
|------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| U1 (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                | 1.4417          | –               | 1.4417                        | 1.3639                        |
| Group 2                | 0.8275          | 0.6142          | 1.4417                        | 1.3639                        |

|                              | Revenue         | Equalisation    | Distribution accumulated<br>30.12.22 | Distribution accumulated<br>31.12.21 |
|------------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| U1 (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                      | 2.0177          | –               | 2.0177                               | 1.8261                               |
| Group 2                      | 0.3146          | 1.7031          | 2.0177                               | 1.8261                               |

|                        | Revenue         | Equalisation    | Distribution paid<br>30.12.22 | Distribution paid<br>31.12.21 |
|------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| U2 (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                | 1.4268          | –               | 1.4268                        | 1.3488                        |
| Group 2                | 0.1261          | 1.3007          | 1.4268                        | 1.3488                        |

|                              | Revenue         | Equalisation    | Distribution accumulated<br>30.12.22 | Distribution accumulated<br>31.12.21 |
|------------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| U2 (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                      | 2.0419          | –               | 2.0419                               | 1.8460                               |
| Group 2                      | 0.3617          | 1.6802          | 2.0419                               | 1.8460                               |



## Distribution Tables *(continued)*

For the quarter ended 31 January 2023

### SECOND INTERIM

Group 1: Shares purchased prior to 1 November 2022

Group 2: Shares purchased on or after 1 November 2022 to 31 January 2023

|                       | Revenue            | Equalisation       | Distribution paid<br>31.03.23 | Distribution paid<br>31.03.22 |
|-----------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| L (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1               | 5.1431             | –                  | 5.1431                        | 5.1004                        |
| Group 2               | 2.4113             | 2.7318             | 5.1431                        | 5.1004                        |

|                             | Revenue            | Equalisation       | Distribution accumulated<br>31.03.23 | Distribution accumulated<br>31.03.22 |
|-----------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| L (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                     | 23.5200            | –                  | 23.5200                              | 22.2786                              |
| Group 2                     | 12.0624            | 11.4576            | 23.5200                              | 22.2786                              |

|                       | Revenue            | Equalisation       | Distribution paid<br>31.03.23 | Distribution paid<br>31.03.22 |
|-----------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| I (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1               | 0.8517             | –                  | 0.8517                        | 0.8384                        |
| Group 2               | 0.1642             | 0.6875             | 0.8517                        | 0.8384                        |

|                             | Revenue            | Equalisation       | Distribution accumulated<br>31.03.23 | Distribution accumulated<br>31.03.22 |
|-----------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| I (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                     | 1.2749             | –                  | 1.2749                               | 1.1987                               |
| Group 2                     | 0.6362             | 0.6387             | 1.2749                               | 1.1987                               |

|                       | Revenue            | Equalisation       | Distribution paid<br>31.03.23 | Distribution paid<br>31.03.22 |
|-----------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| P (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1               | 0.7626             | –                  | 0.7626                        | 0.7525                        |
| Group 2               | 0.2480             | 0.5146             | 0.7626                        | 0.7525                        |

|                             | Revenue            | Equalisation       | Distribution accumulated<br>31.03.23 | Distribution accumulated<br>31.03.22 |
|-----------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| P (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                     | 1.4028             | –                  | 1.4028                               | 1.3224                               |
| Group 2                     | 0.3290             | 1.0738             | 1.4028                               | 1.3224                               |

## Distribution Tables *(continued)*

For the quarter ended 31 January 2023

### SECOND INTERIM

Group 1: Shares purchased prior to 1 November 2022

Group 2: Shares purchased on or after 1 November 2022 to 31 January 2023

|                        | Revenue            | Equalisation       | Distribution paid<br>31.03.23 | Distribution paid<br>31.03.22 |
|------------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| U1 (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1                | 0.6766             | –                  | 0.6766                        | 0.6655                        |
| Group 2                | 0.0197             | 0.6569             | 0.6766                        | 0.6655                        |

|                              | Revenue            | Equalisation       | Distribution accumulated<br>31.03.23 | Distribution accumulated<br>31.03.22 |
|------------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| U1 (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                      | 0.9602             | –                  | 0.9602                               | 0.9021                               |
| Group 2                      | 0.7454             | 0.2148             | 0.9602                               | 0.9021                               |

|                        | Revenue            | Equalisation       | Distribution paid<br>31.03.23 | Distribution paid<br>31.03.22 |
|------------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| U2 (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1                | 0.6698             | –                  | 0.6698                        | 0.6582                        |
| Group 2                | 0.1845             | 0.4853             | 0.6698                        | 0.6582                        |

|                              | Revenue            | Equalisation       | Distribution accumulated<br>31.03.23 | Distribution accumulated<br>31.03.22 |
|------------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| U2 (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                      | 0.9717             | –                  | 0.9717                               | 0.9120                               |
| Group 2                      | 0.5972             | 0.3745             | 0.9717                               | 0.9120                               |

## Distribution Tables *(continued)*

For the quarter ended 30 April 2023

### THIRD INTERIM

Group 1: Shares purchased prior to 1 February 2023

Group 2: Shares purchased on or after 1 February 2023 to 30 April 2023

|                       | Revenue            | Equalisation       | Distribution paid<br>30.06.23 | Distribution paid<br>30.06.22 |
|-----------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| L (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1               | 14.2812            | –                  | 14.2812                       | 14.7600                       |
| Group 2               | 8.0079             | 6.2733             | 14.2812                       | 14.7600                       |

|                             | Revenue            | Equalisation       | Distribution accumulated<br>30.06.23 | Distribution accumulated<br>30.06.22 |
|-----------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| L (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                     | 65.6733            | –                  | 65.6733                              | 64.8537                              |
| Group 2                     | 38.8356            | 26.8377            | 65.6733                              | 64.8537                              |

|                       | Revenue            | Equalisation       | Distribution paid<br>30.06.23 | Distribution paid<br>30.06.22 |
|-----------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| I (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1               | 2.3703             | –                  | 2.3703                        | 2.4316                        |
| Group 2               | 1.0930             | 1.2773             | 2.3703                        | 2.4316                        |

|                             | Revenue            | Equalisation       | Distribution accumulated<br>30.06.23 | Distribution accumulated<br>30.06.22 |
|-----------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| I (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                     | 3.5674             | –                  | 3.5674                               | 3.4976                               |
| Group 2                     | 2.2124             | 1.3550             | 3.5674                               | 3.4976                               |

|                       | Revenue            | Equalisation       | Distribution paid<br>30.06.23 | Distribution paid<br>30.06.22 |
|-----------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| P (GBP) Income Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1               | 2.1205             | –                  | 2.1205                        | 2.1808                        |
| Group 2               | 0.4277             | 1.6928             | 2.1205                        | 2.1808                        |

|                             | Revenue            | Equalisation       | Distribution accumulated<br>30.06.23 | Distribution accumulated<br>30.06.22 |
|-----------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| P (GBP) Accumulation Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                     | 3.9226             | –                  | 3.9226                               | 3.8550                               |
| Group 2                     | 1.3847             | 2.5379             | 3.9226                               | 3.8550                               |

## Distribution Tables *(continued)*

For the quarter ended 30 April 2023

### THIRD INTERIM

Group 1: Shares purchased prior to 1 February 2023

Group 2: Shares purchased on or after 1 February 2023 to 30 April 2023

|                        | Revenue         | Equalisation    | Distribution paid<br>30.06.23 | Distribution paid<br>30.06.22 |
|------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| U1 (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                | 1.8831          | –               | 1.8831                        | 1.9304                        |
| Group 2                | 0.6457          | 1.2374          | 1.8831                        | 1.9304                        |

|                              | Revenue         | Equalisation    | Distribution accumulated<br>30.06.23 | Distribution accumulated<br>30.06.22 |
|------------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| U1 (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                      | 2.6868          | –               | 2.6868                               | 2.6327                               |
| Group 2                      | 0.9940          | 1.6928          | 2.6868                               | 2.6327                               |

|                        | Revenue         | Equalisation    | Distribution paid<br>30.06.23 | Distribution paid<br>30.06.22 |
|------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| U2 (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                | 1.8644          | –               | 1.8644                        | 1.9100                        |
| Group 2                | 0.6597          | 1.2047          | 1.8644                        | 1.9100                        |

|                              | Revenue         | Equalisation    | Distribution accumulated<br>30.06.23 | Distribution accumulated<br>30.06.22 |
|------------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| U2 (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                      | 2.7194          | –               | 2.7194                               | 2.6390                               |
| Group 2                      | 0.9550          | 1.7644          | 2.7194                               | 2.6390                               |

## Distribution Tables *(continued)*

### For the year ended 31 July 2023

#### FINAL

Group 1: Shares purchased prior to 1 May 2023

Group 2: Shares purchased on or after 1 May 2023 to 31 July 2023

|                       | Revenue         | Equalisation    | Distribution paid<br>29.09.23 | Distribution paid<br>30.09.22 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| L (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 8.8631          | –               | 8.8631                        | 8.2503                        |
| Group 2               | 0.1043          | 8.7588          | 8.8631                        | 8.2503                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>29.09.23 | Distribution accumulated<br>30.09.22 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| L (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 41.5295         | –               | 41.5295                              | 36.8595                              |
| Group 2                     | 6.8536          | 34.6759         | 41.5295                              | 36.8595                              |

|                       | Revenue         | Equalisation    | Distribution paid<br>29.09.23 | Distribution paid<br>30.09.22 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| I (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 1.4778          | –               | 1.4778                        | 1.3614                        |
| Group 2               | 0.5997          | 0.8781          | 1.4778                        | 1.3614                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>29.09.23 | Distribution accumulated<br>30.09.22 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| I (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 2.2594          | –               | 2.2594                               | 1.9908                               |
| Group 2                     | 0.8349          | 1.4245          | 2.2594                               | 1.9908                               |

|                       | Revenue         | Equalisation    | Distribution paid<br>29.09.23 | Distribution paid<br>30.09.22 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| P (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 1.3214          | –               | 1.3214                        | 1.2203                        |
| Group 2               | 1.3214          | –               | 1.3214                        | 1.2203                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>29.09.23 | Distribution accumulated<br>30.09.22 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| P (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 2.4834          | –               | 2.4834                               | 2.1934                               |
| Group 2                     | 1.5349          | 0.9485          | 2.4834                               | 2.1934                               |

## Distribution Tables *(continued)*

### For the year ended 31 July 2023

#### FINAL

Group 1: Shares purchased prior to 1 May 2023

Group 2: Shares purchased on or after 1 May 2023 to 31 July 2023

|                        | Revenue         | Equalisation    | Distribution paid<br>29.09.23 | Distribution paid<br>30.09.22 |
|------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| U1 (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                | 1.1743          | –               | 1.1743                        | 1.0811                        |
| Group 2                | 0.5835          | 0.5908          | 1.1743                        | 1.0811                        |

|                              | Revenue         | Equalisation    | Distribution accumulated<br>29.09.23 | Distribution accumulated<br>30.09.22 |
|------------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| U1 (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                      | 1.7020          | –               | 1.7020                               | 1.4988                               |
| Group 2                      | 0.8406          | 0.8614          | 1.7020                               | 1.4988                               |

|                        | Revenue         | Equalisation    | Distribution paid<br>29.09.23 | Distribution paid<br>30.09.22 |
|------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| U2 (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                | 1.1629          | –               | 1.1629                        | 1.0696                        |
| Group 2                | 0.1520          | 1.0109          | 1.1629                        | 1.0696                        |

|                              | Revenue         | Equalisation    | Distribution accumulated<br>29.09.23 | Distribution accumulated<br>30.09.22 |
|------------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| U2 (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                      | 1.7226          | –               | 1.7226                               | 1.5158                               |
| Group 2                      | 0.1972          | 1.5254          | 1.7226                               | 1.5158                               |

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of revenue included in the purchase price of all Group 2 shares and is refunded to holders of these shares as a return of capital. Being capital, it is not liable to Income Tax but must be deducted from the cost of shares for Capital Gains Tax purposes.

## Jupiter UK Mid Cap Fund

### Cumulative Performance (% change to 31 July 2023)

|  | 1 year | 3 years | 5 years | 10 years |
|--|--------|---------|---------|----------|
| Jupiter UK Mid Cap Fund*                 | (14.2) | (16.0)  | (30.8)  | 43.7     |
| FTSE 250 Ex-Investment Trust (Benchmark) | (1.0)  | 25.4    | 1.1     | 61.0     |
| IA UK All Companies (Sector Average)     | 2.8    | 29.5    | 9.5     | 62.9     |
| Quartile Ranking                         | 4th    | 4th     | 4th     | 4th      |

\*Source: Morningstar, gross income reinvested net of fees, in GBP. The statistics disclosed above relate to I-Class Shares unless otherwise stated. Past performance is no guide to the future.

### Investment Objective and Policy

To achieve capital growth. In seeking to achieve its investment objective the sub-fund will aim to deliver a return, net of fees, greater than that of the FTSE 250 Ex-Investment Trust Index over rolling 3 year periods.

The sub-fund invests a minimum of 60% of its Net Asset Value in a portfolio of medium sized UK companies.

UK companies are those that are domiciled or incorporated in the UK, or that conduct a significant part of their business in the UK. Medium sized companies are defined for this purpose as those companies that are members of the FTSE 250 Index and those UK listed companies that have a market capitalisation consistent with inclusion in the FTSE 250 Index but are not included in the FTSE 250 Index.

The sub-fund may also invest in other transferable securities, units in collective investment schemes (including those managed or operated by the ACD or an associate of the ACD), warrants, money market instruments, deposits and derivatives, and may hold cash.

The sub-fund may use derivatives for Efficient Portfolio Management purposes. The ACD considers that the use of derivatives for this purpose is not likely to affect the volatility or risk profile of the sub-fund. The sub-fund may use derivatives for purposes other than Efficient Portfolio Management, provided it has given shareholders 60 days' notice of such change. If the sub-fund did use derivatives for investment purposes this might, at times, increase the volatility of the sub-fund's NAV and change the risk profile of the sub-fund.

### Market Review

UK Mid-Cap index remained volatile over the course of the review period with the FTSE 250 Ex-Investment Trust falling modestly. At the start of the period, Liz Truss/Kwasi Kwarteng mini-budget led to a disorderly rise in UK interest rates, requiring intervention from the Bank of England. The replacement of Truss/Kwarteng by Jeremy Hunt/Rishi Sunak who are seen to be more fiscally conservative, consolidated the sense of relative calm in UK debt markets, and this was complemented by a rally in UK equities over the latter months of 2022 as risk appetite began to improve.

The mood darkened in March 2023 following the collapse of Silicon Valley Bank in the United States. US regulators quickly took steps to stabilise the financial system. The situation swiftly deteriorated and spread to Europe when Credit Suisse also experienced a deposit run and share price collapse. The Swiss authorities hastily arranged a takeover by Union Bank of Switzerland. This led to a sharp decline in financial stocks. Cyclical sectors also fell on the implications for economic growth if banks were forced to curtail lending.

Economic data and surveys suggested that activity in the US, Europe and the UK was slowing, with Europe entering a technical recession (two quarters of negative growth). In addition, China's recovery following the relaxation of COVID-19 restrictions appeared to be slower than market expectations.

## Market Review *(continued)*

Inflation data was mixed. Headline rates declined due to the fall in energy and commodity prices and the easing of supply chain pressures in the manufactured goods sector. However, core inflation – which excludes energy and food prices and is closely monitored by central banks – remained elevated, driven higher by rising wages feeding into the price of services. While core inflation rates fell in the US, Europe and the UK, they remained at high levels, particularly so for the UK. The Bank of England raised interest rates eight consecutive times between August and July to 5.0% by the end of the review period. The tone of the statements accompanying the rate increases suggested more tightening to come. More positively, there were tentative signs that the pressure in labour markets were easing, notably in the US.

## Policy Review

Against this backdrop, the sub-fund underperformed its reference index, the FTSE 250 Ex-Investment Trust, returning -14.2% versus a return of -1.0% for the benchmark index.

At a sector level, meaningful relative contributions came from overweight to Support Services and General Industrial and underweight to Real Estates, whilst Banks, Software and Media negatively impacted performance.

Positive contributions to the performance over the review period included money transfer firm Wise plc, which enhanced the March 24 expectations when presenting full year results. Melrose, a turnaround vehicle in the industrials sector successfully completed its demerger, and materially upgraded its aerospace outlook. Ashtead Group, the equipment rental business benefitted from positive US macro developments coupled with strong full year results, and budget airline and packaged holiday Jet2, reported strong half-year results and upgraded full year guidance.

These positive effects were more than outweighed by the impact of poor performance from Starling Bank, where the position in this unlisted business was sold from the sub-fund at a discount to the price at which it had been held. Digital publisher Future plc, where the market worried about the impact of AI on future earnings trends, and online ticketing platform Trainline, where the intensity of industrial action across the UK's rail network impacted the shares.

In terms of activity, several new positions were added, including Beazley, a non-life insurance company, the stock is uncorrelated, and benefits from rising near-term rates. Marks & Spencer (strong earnings momentum); Intermediate Capital (better flow momentum than the market gives it credit for); Spectris (strong organic momentum, coupled with balance sheet optionality) and Alpha Group (high conviction in ability to compound out and well above trend market growth rates). Disposals included Dr Martens and Watches of Switzerland to focus on higher-conviction ideas elsewhere.

## Investment Outlook

Although headline rates of inflation across the developed world are falling, core rates are proving stickier, and markets are pricing-in higher terminal rates. In the UK, given, in particular, shocks to labour supply emanating from the pandemic (as 50-somethings have left the workforce) and the end of free movement post Brexit, fears of second-round effects are difficult to dismiss, while, given that only one-third of UK households now have a mortgage, the transmission-mechanism of monetary policy into the real economy is less direct than might have been the case historically.

This raises the fear that the Bank of England could over-tighten, given the time-lag between rate rises and their impact on the economy, causing an abrupt and disorderly economic contraction.

Again, in the UK, the economic backdrop is further complicated by the strength of employment itself (with unemployment still close to all-time lows), as well as wealth polarisation, with more affluent households still benefitting from excess pandemic-era savings and able to continue to consume more freely, while poorer demographics contend with a cost-of-living crisis.

The combination of these dynamics still ultimately suggests to us a central case of a relatively short-lived and shallow developed-world recession, although the range of possible outcomes would seem to be wider than usual.



**Investment Outlook** *(continued)*

Given the above and, given the ongoing lack of clear thematic leadership within the UK mid cap space, we continue consciously to position the portfolio such that it is broadly balanced between growth and value themes. We remain of the view that, given the UK mid cap opportunity set, there remains a place for unique, less economically sensitive businesses that we judge can deliver above average rates of earnings growth at valuations that we can rationalise, as well as for more economically sensitive businesses that we believe can rerate in the medium term as fears over a deep and protracted recession are priced-out.

Within a broadly balanced sector and thematic framework, we aim to add value through good stock selection, against the backdrop of a FTSE 250 Ex-Investment Trust Index which in our view looks attractively valued, trading on a 12-month forward price/earnings multiple of c11x.

August 2023

## Risk and Reward Profile



The calculated risk and reward category, as shown above, uses a method of calculation derived from EU rules. It is based on the rate at which the returns of the sub-fund have moved up and down in the past (i.e. volatility) and is not a guide to the future risk and reward category of the sub-fund. The category shown is not a target or guarantee and may shift over time. Even the lowest category 1 does not mean a risk-free investment. The seven-category scale is nonlinear, for example, 2 is not twice as risky as 1.

Sub-funds in category 6 have in the past shown relatively high volatility. With a sub-fund of category 6, you have a relatively high risk of losing money but your chance for gains is also relatively high.

## Comparative Tables

| Change in net asset per share       |                 |                 |                 |                 |                 |                 |
|-------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|                                     | L (GBP) Income  |                 |                 | I (GBP) Income  |                 |                 |
|                                     | 31.07.23<br>(p) | 31.07.22<br>(p) | 31.07.21<br>(p) | 31.07.23<br>(p) | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share   | 332.59          | 506.39          | 357.51          | 200.70          | 306.20          | 214.83          |
| Return before operating charges*    | (36.02)         | (166.38)        | 156.12          | (21.72)         | (100.98)        | 94.04           |
| Operating charges                   | (4.77)          | (6.84)          | (7.24)          | (1.53)          | (2.23)          | (2.31)          |
| Return after operating charges*     | (40.79)         | (173.22)        | 148.88          | (23.25)         | (103.21)        | 91.73           |
| Distributions on income shares      | (2.35)          | (0.58)          | –               | (2.77)          | (2.29)          | (0.36)          |
| Closing net asset value per share   | 289.45          | 332.59          | 506.39          | 174.68          | 200.70          | 306.20          |
| *after direct transaction costs of: | 0.75            | 0.64            | 0.56            | 0.46            | 0.39            | 0.34            |
| Performance                         |                 |                 |                 |                 |                 |                 |
| Return after charges (%)            | (12.26)         | (34.21)         | 41.64           | (11.58)         | (33.71)         | 42.70           |
| Other Information                   |                 |                 |                 |                 |                 |                 |
| Closing net asset value (£'000)     | 8,163           | 86,687          | 148,886         | 40,851          | 135,404         | 280,357         |
| Closing number of shares            | 2,820,181       | 26,063,810      | 29,401,319      | 23,386,659      | 67,465,526      | 91,561,514      |
| Operating charges (%)               | 1.60            | 1.60            | 1.60            | 0.85            | 0.85            | 0.85            |
| Direct transaction costs (%)        | 0.25            | 0.15            | 0.12            | 0.25            | 0.15            | 0.12            |
| Prices                              |                 |                 |                 |                 |                 |                 |
| Highest share price (p)             | 341.79          | 539.08          | 515.90          | 206.36          | 326.24          | 312.20          |
| Lowest share price (p)              | 266.41          | 306.14          | 351.90          | 161.08          | 186.42          | 211.50          |

| Change in net asset per share       |                 |                 |                 |                  |                 |                 |
|-------------------------------------|-----------------|-----------------|-----------------|------------------|-----------------|-----------------|
|                                     | P (GBP) Income  |                 |                 | Z1 (GBP) Income* |                 |                 |
|                                     | 31.07.23<br>(p) | 31.07.22<br>(p) | 31.07.21<br>(p) | 31.07.23<br>(p)  | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share   | 198.92          | 303.26          | 213.04          | 134.32           | 204.96          | 143.79          |
| Return before operating charges*    | (21.56)         | (99.87)         | 93.20           | (14.56)          | (67.56)         | 62.92           |
| Operating charges                   | (1.95)          | (2.84)          | (2.98)          | (0.93)           | (1.42)          | (1.37)          |
| Return after operating charges*     | (23.51)         | (102.71)        | 90.22           | (15.49)          | (68.98)         | 61.55           |
| Distributions on income shares      | (2.30)          | (1.63)          | –               | (1.93)           | (1.66)          | (0.38)          |
| Closing net asset value per share   | 173.11          | 198.92          | 303.26          | 116.90           | 134.32          | 204.96          |
| *after direct transaction costs of: | 0.45            | 0.39            | 0.33            | 0.31             | 0.28            | 0.22            |
| Performance                         |                 |                 |                 |                  |                 |                 |
| Return after charges (%)            | (11.82)         | (33.87)         | 42.35           | (11.53)          | (33.66)         | 42.81           |
| Other Information                   |                 |                 |                 |                  |                 |                 |
| Closing net asset value (£'000)     | 1,316           | 2,112           | 4,171           | 30,855           | 90,237          | 408,727         |
| Closing number of shares            | 760,025         | 1,061,817       | 1,375,328       | 26,394,540       | 67,181,857      | 199,419,360     |
| Operating charges (%)               | 1.10            | 1.10            | 1.10            | 0.775            | 0.775           | 0.775           |
| Direct transaction costs (%)        | 0.25            | 0.15            | 0.12            | 0.25             | 0.15            | 0.12            |
| Prices                              |                 |                 |                 |                  |                 |                 |
| Highest share price (p)             | 204.48          | 323.02          | 308.90          | 138.11           | 218.39          | 209.10          |
| Lowest share price (p)              | 159.54          | 184.20          | 209.70          | 107.80           | 124.87          | 141.60          |

\*With effect from 01 July 2022, U1 Shares have been re-named as Z1 Shares.

## Comparative Tables *(continued)*

| Change in net asset per share       |                   |                 |                 |
|-------------------------------------|-------------------|-----------------|-----------------|
|                                     | Z2 (GBP) Income** |                 |                 |
|                                     | 31.07.23<br>(p)   | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share   | 124.49            | 190.01          | 133.30          |
| Return before operating charges*    | (13.47)           | (62.72)         | 58.42           |
| Operating charges                   | (0.78)            | (1.14)          | (1.23)          |
| Return after operating charges*     | (14.25)           | (63.86)         | 57.19           |
| Distributions on income shares      | (1.89)            | (1.66)          | (0.48)          |
| Closing net asset value per share   | 108.35            | 124.49          | 190.01          |
| *after direct transaction costs of: | 0.28              | 0.25            | 0.22            |
| <b>Performance</b>                  |                   |                 |                 |
| Return after charges (%)            | (11.45)           | (33.61)         | 42.90           |
| <b>Other Information</b>            |                   |                 |                 |
| Closing net asset value (£'000)     | 55,347            | 231,870         | 540,755         |
| Closing number of shares            | 51,080,530        | 186,261,662     | 284,592,807     |
| Operating charges (%)               | 0.70              | 0.70            | 0.70            |
| Direct transaction costs (%)        | 0.25              | 0.15            | 0.12            |
| <b>Prices</b>                       |                   |                 |                 |
| Highest share price (p)             | 128.02            | 202.48          | 194.00          |
| Lowest share price (p)              | 99.96             | 115.84          | 131.20          |

| Change in net asset per share                |                      |                 |                 |                      |                 |                 |
|--|----------------------|-----------------|-----------------|----------------------|-----------------|-----------------|
|  | L (GBP) Accumulation |                 |                 | I (GBP) Accumulation |                 |                 |
|  | 31.07.23<br>(p)      | 31.07.22<br>(p) | 31.07.21<br>(p) | 31.07.23<br>(p)      | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share            | 379.04               | 576.08          | 406.71          | 260.76               | 393.34          | 275.64          |
| Return before operating charges*             | (41.07)              | (189.25)        | 177.61          | (28.27)              | (129.73)        | 120.68          |
| Operating charges                            | (5.41)               | (7.79)          | (8.24)          | (1.98)               | (2.85)          | (2.98)          |
| Return after operating charges*              | (46.48)              | (197.04)        | 169.37          | (30.25)              | (132.58)        | 117.70          |
| Distribution on accumulation share           | (2.68)               | (0.66)          | –               | (3.60)               | (2.94)          | (0.46)          |
| Retained distributions on accumulation share | 2.68                 | 0.66            | –               | 3.60                 | 2.94            | 0.46            |
| Closing net asset value per share            | 332.56               | 379.04          | 576.08          | 230.51               | 260.76          | 393.34          |
| *after direct transaction costs of:          | 0.86                 | 0.73            | 0.64            | 0.59                 | 0.50            | 0.43            |
| <b>Performance</b>                           |                      |                 |                 |                      |                 |                 |
| Return after charges (%)                     | (12.26)              | (34.20)         | 41.64           | (11.60)              | (33.71)         | 42.70           |
| <b>Other Information</b>                     |                      |                 |                 |                      |                 |                 |
| Closing net asset value (£'000)              | 94,725               | 250,514         | 440,084         | 281,907              | 477,024         | 924,262         |
| Closing number of shares                     | 28,483,586           | 66,092,374      | 76,393,226      | 122,300,051          | 182,934,345     | 234,976,697     |
| Operating charges (%)                        | 1.60                 | 1.60            | 1.60            | 0.85                 | 0.85            | 0.85            |
| Direct transaction costs (%)                 | 0.25                 | 0.15            | 0.12            | 0.25                 | 0.15            | 0.12            |
| <b>Prices</b>                                |                      |                 |                 |                      |                 |                 |
| Highest share price (p)                      | 389.39               | 613.26          | 586.90          | 267.97               | 419.09          | 400.50          |
| Lowest share price (p)                       | 303.62               | 348.27          | 400.30          | 209.24               | 239.47          | 271.30          |

\*\*With effect from 01 July 2022, U2 Shares have been re-named as Z2 Shares.

## Comparative Tables *(continued)*

| Change in net asset per share                |                         |                 |                 |                        |                 |                 |
|--|-------------------------|-----------------|-----------------|------------------------|-----------------|-----------------|
|  | P (GBP) Accumulation    |                 |                 | Z1 (GBP) Accumulation* |                 |                 |
|  | 31.07.23<br>(p)         | 31.07.22<br>(p) | 31.07.21<br>(p) | 31.07.23<br>(p)        | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share            | 331.35                  | 501.07          | 351.99          | 144.84                 | 218.32          | 152.87          |
| Return before operating charges*             | (35.94)                 | (165.04)        | 153.97          | (15.71)                | (72.03)         | 66.95           |
| Operating charges                            | (3.25)                  | (4.68)          | (4.89)          | (1.00)                 | (1.45)          | (1.50)          |
| Return after operating charges*              | (39.19)                 | (169.72)        | 149.08          | (16.71)                | (73.48)         | 65.45           |
| Distribution on accumulation share           | (3.83)                  | (2.69)          | –               | (2.10)                 | (1.77)          | (0.40)          |
| Retained distributions on accumulation share | 3.83                    | 2.69            | –               | 2.10                   | 1.77            | 0.40            |
| Closing net asset value per share            | 292.16                  | 331.35          | 501.07          | 128.13                 | 144.84          | 218.32          |
| *after direct transaction costs of:          | 0.75                    | 0.64            | 0.55            | 0.33                   | 0.28            | 0.24            |
| Performance                                  |                         |                 |                 |                        |                 |                 |
| Return after charges (%)                     | (11.83)                 | (33.87)         | 42.35           | (11.54)                | (33.66)         | 42.81           |
| Other Information                            |                         |                 |                 |                        |                 |                 |
| Closing net asset value (£'000)              | 3,980                   | 7,385           | 13,827          | 169,101                | 327,948         | 682,500         |
| Closing number of shares                     | 1,362,259               | 2,228,839       | 2,759,444       | 131,974,762            | 226,416,942     | 312,616,540     |
| Operating charges (%)                        | 1.10                    | 1.10            | 1.10            | 0.775                  | 0.775           | 0.775           |
| Direct transaction costs (%)                 | 0.25                    | 0.15            | 0.12            | 0.25                   | 0.15            | 0.12            |
| Prices                                       |                         |                 |                 |                        |                 |                 |
| Highest share price (p)                      | 340.47                  | 533.72          | 510.30          | 148.85                 | 232.63          | 222.30          |
| Lowest share price (p)                       | 265.72                  | 304.34          | 346.50          | 116.24                 | 133.01          | 150.50          |
| Change in net asset per share                |                         |                 |                 |                        |                 |                 |
|  | Z2 (GBP) Accumulation** |                 |                 |                        |                 |                 |
|  | 31.07.23<br>(p)         | 31.07.22<br>(p) | 31.07.21<br>(p) |                        |                 |                 |
| Opening net asset value per share            | 148.30                  | 223.37          | 156.30          |                        |                 |                 |
| Return before operating charges*             | (16.07)                 | (73.74)         | 68.54           |                        |                 |                 |
| Operating charges                            | (0.93)                  | (1.33)          | (1.47)          |                        |                 |                 |
| Return after operating charges*              | (17.00)                 | (75.07)         | 67.07           |                        |                 |                 |
| Distribution on accumulation share           | (2.25)                  | (1.95)          | (0.57)          |                        |                 |                 |
| Retained distributions on accumulation share | 2.25                    | 1.95            | 0.57            |                        |                 |                 |
| Closing net asset value per share            | 131.30                  | 148.30          | 223.37          |                        |                 |                 |
| *after direct transaction costs of:          | 0.34                    | 0.29            | 0.26            |                        |                 |                 |
| Performance                                  |                         |                 |                 |                        |                 |                 |
| Return after charges (%)                     | (11.46)                 | (33.61)         | 42.91           |                        |                 |                 |
| Other Information                            |                         |                 |                 |                        |                 |                 |
| Closing net asset value (£'000)              | 15,422                  | 41,508          | 80,447          |                        |                 |                 |
| Closing number of shares                     | 11,745,999              | 27,988,852      | 36,015,624      |                        |                 |                 |
| Operating charges (%)                        | 0.70                    | 0.70            | 0.70            |                        |                 |                 |
| Direct transaction costs (%)                 | 0.25                    | 0.15            | 0.12            |                        |                 |                 |
| Prices                                       |                         |                 |                 |                        |                 |                 |
| Highest share price (p)                      | 152.41                  | 238.03          | 227.40          |                        |                 |                 |
| Lowest share price (p)                       | 119.04                  | 136.18          | 153.90          |                        |                 |                 |

\*With effect from 01 July 2022, U1 Shares have been re-named as Z1 Shares.

\*\*With effect from 01 July 2022, U2 Shares have been re-named as Z2 Shares.

## Portfolio Statement

As at 31 July 2023

| Holding    | Investment   | Market value<br>£ | Total net assets<br>% |
|------------|--|-------------------|-----------------------|
|            | <b>UNITED KINGDOM - 92.52% (93.04%)</b>                      |                   |                       |
|            | <b>Automobiles and Parts - 5.07% (1.87%)</b>                 |                   |                       |
| 3,240,977  | Auto Trader Group  | 20,936,711        | 2.98                  |
| 5,879,860  | Dowlais Group  | 7,229,288         | 1.03                  |
| 907,914    | Inchcape   | 7,431,276         | 1.06                  |
|            |  | <hr/>             |                       |
|            |  | 35,597,275        | 5.07                  |
|            | <b>Banks - 0.00% (5.06%)</b>                                 |                   |                       |
|            | <b>Chemicals - 0.00% (1.11%)</b>                             |                   |                       |
|            | <b>Closed End Investments - 6.56% (5.36%)</b>                |                   |                       |
| 61,693,402 | Chrysalis Investments Limited <sup>†</sup>                   | 46,023,278        | 6.56                  |
|            | <b>Electricity - 0.00% (1.65%)</b>                           |                   |                       |
|            | <b>Electronic and Electrical Equipment - 2.54% (0.00%)</b>   |                   |                       |
| 507,141    | Spectris   | 17,800,649        | 2.54                  |
|            | <b>Finance and Credit Services - 3.67% (4.52%)</b>           |                   |                       |
| 7,007,402  | OSB  | 25,731,180        | 3.67                  |
|            | <b>Food Producers - 1.02% (0.00%)</b>                        |                   |                       |
| 963,725    | Tate & Lyle  | 7,189,389         | 1.02                  |
|            | <b>General Industrials - 3.99% (1.00%)</b>                   |                   |                       |
| 5,285,197  | Melrose Industries   | 28,000,974        | 3.99                  |
|            | <b>Household Goods and Home Construction - 2.00% (3.51%)</b> |                   |                       |
| 633,016    | Bellway  | 14,027,635        | 2.00                  |
|            | <b>Industrial Support Services - 8.16% (10.28%)</b>          |                   |                       |
| 581,038    | Diploma  | 18,814,011        | 2.68                  |
| 900,712    | RS Group   | 7,057,979         | 1.01                  |
| 2,533,397  | Pagegroup  | 11,298,951        | 1.61                  |
| 1,939,120  | Rentokil Initial   | 12,301,777        | 1.75                  |
| 5,039,035  | Serco  | 7,825,621         | 1.11                  |
|            |  | <hr/>             |                       |
|            |  | 57,298,339        | 8.16                  |
|            | <b>Industrial Transportation - 3.84% (4.32%)</b>             |                   |                       |
| 467,725    | Ashtead  | 26,922,251        | 3.84                  |

## Portfolio Statement *(continued)*

| As at 31 July 2023   |                       |                   |                       |
|--|-----------------------|-------------------|-----------------------|
| Holding  | Investment            | Market value<br>£ | Total net assets<br>% |
| <b>Investment Banking and Brokerage Services - 5.37% (0.00%)</b> |                       |                   |                       |
| 350,703  | Alpha FX Group        | 7,820,677         | 1.12                  |
| 1,324,997  | Intermediate Capital  | 18,609,583        | 2.65                  |
| 1,195,037  | St James's Place      | 11,233,348        | 1.60                  |
|  |                       | 37,663,608        | 5.37                  |
| <b>Leisure Goods - 3.13% (0.00%)</b>                             |                       |                   |                       |
| 188,365  | Games Workshop Group  | 21,925,686        | 3.13                  |
| <b>Media - 1.52% (5.17%)</b>                                     |                       |                   |                       |
| 1,275,623  | Future                | 10,696,099        | 1.52                  |
| <b>Non-life Insurance - 1.81% (0.00%)</b>                        |                       |                   |                       |
| 2,316,687  | Beazley               | 12,695,445        | 1.81                  |
| <b>Oil, Gas and Coal - 1.06% (0.91%)</b>                         |                       |                   |                       |
| 2,786,924  | Harbour Energy        | 7,427,152         | 1.06                  |
| <b>Personal Care, Drug and Grocery Stores - 1.99% (2.67%)</b>    |                       |                   |                       |
| 504,594  | Greggs                | 13,926,794        | 1.99                  |
| <b>Personal Goods - 0.00% (2.36%)</b>                            |                       |                   |                       |
| <b>Pharmaceuticals and Biotechnology - 2.71% (1.52%)</b>         |                       |                   |                       |
| 593,008  | Hikma Pharmaceuticals | 12,382,007        | 1.77                  |
| 377,196  | Indivior              | 6,608,474         | 0.94                  |
|  |                       | 18,990,481        | 2.71                  |
| <b>Real Estate Investment and Services - 1.05% (1.78%)</b>       |                       |                   |                       |
| 757,270  | Savills               | 7,375,810         | 1.05                  |
| <b>Real Estate Investment Trusts - 6.90% (8.34%)</b>             |                       |                   |                       |
| 2,035,066  | Big Yellow            | 21,815,907        | 3.11                  |
| 1,958,051  | Unite                 | 19,032,256        | 2.71                  |
| 1,525,168  | Workspace             | 7,567,884         | 1.08                  |
|  |                       | 48,416,047        | 6.90                  |
| <b>Retailers - 8.59% (4.25%)</b>                                 |                       |                   |                       |
| 1,558,069  | Dunelm                | 17,917,794        | 2.55                  |
| 8,328,252  | JD Sports Fashion     | 13,129,489        | 1.87                  |
| 8,523,735  | Marks & Spencer       | 17,524,799        | 2.50                  |

## Portfolio Statement *(continued)*

As at 31 July 2023

| Holding    | Investment  | Market value<br>£         | Total net assets<br>% |
|------------|---|---------------------------|-----------------------|
|            | <b>Retailers (continued)</b>                                |                           |                       |
| 2,981,472  | Pets at Home  | 11,699,296                | 1.67                  |
|            |   | <u>60,271,378</u>         | <u>8.59</u>           |
|            | <b>Software and Computer Services - 11.65% (16.69%)</b>     |                           |                       |
| 18,065,433 | Ascential   | 37,792,886                | 5.38                  |
| 4,394,990  | Auction Technology  | 31,116,529                | 4.43                  |
| 1,658,693  | Wise  | 12,888,045                | 1.84                  |
|            |   | <u>81,797,460</u>         | <u>11.65</u>          |
|            | <b>Telecommunications Equipment - 2.06% (0.00%)</b>         |                           |                       |
| 867,596    | Telecom Plus  | 14,436,797                | 2.06                  |
|            | <b>Telecommunications Service Providers - 0.00% (1.74%)</b> |                           |                       |
|            | <b>Travel and Leisure - 7.83% (8.93%)</b>                   |                           |                       |
| 1,828,102  | JET2  | 20,547,866                | 2.93                  |
| 117,275    | Secret Escapes*   | 627,421                   | 0.09                  |
| 53,006     | Secret Escapes (Series E Preference)*                       | 5,359,437                 | 0.76                  |
| 10,791,377 | Trainline   | 28,424,487                | 4.05                  |
|            |   | <u>54,959,211</u>         | <u>7.83</u>           |
|            | <b>EGYPT - 1.02% (0.00%)</b>                                |                           |                       |
|            | <b>Oil, Gas and Coal - 1.02% (0.00%)</b>                    |                           |                       |
| 619,093    | Energean  | 7,169,097                 | 1.02                  |
|            | <b>SWITZERLAND - 3.09% (0.00%)</b>                          |                           |                       |
|            | <b>Travel and Leisure - 3.09% (0.00%)</b>                   |                           |                       |
| 913,331    | Wizz Air  | 21,664,211                | 3.09                  |
|            | Total value of investments                                  | <u>678,006,246</u>        | <u>96.63</u>          |
|            | Net other assets  | <u>23,660,302</u>         | <u>3.37</u>           |
|            | <b>Net assets</b>   | <b><u>701,666,548</u></b> | <b><u>100.00</u></b>  |

All holdings are ordinary shares or stock units unless otherwise stated.

The figures in brackets show allocations as at 31 July 2022.

\*Investment Adviser is Jupiter Investment Management Limited.

\*Represents an unlisted and unquoted security.



| Asset allocation |                |
|------------------|----------------|
| Equities         | 96.63%         |
| Net other assets | 3.37%          |
| <b>Total</b>     | <b>100.00%</b> |

| Portfolio allocation                      |                |
|---|----------------|
| Software and Computer Services            | 11.65%         |
| Travel and Leisure                        | 10.92%         |
| Retailers                                 | 8.59%          |
| Industrial Support Services               | 8.16%          |
| Real Estate Investment Trusts             | 6.90%          |
| Closed End Investments                    | 6.56%          |
| Investment Banking and Brokerage Services | 5.37%          |
| Automobiles and Parts                     | 5.07%          |
| General Industrials                       | 3.99%          |
| Industrial Transportation                 | 3.84%          |
| Finance and Credit Services               | 3.67%          |
| Leisure Goods                             | 3.13%          |
| Pharmaceuticals and Biotechnology         | 2.71%          |
| Electronic and Electrical Equipment       | 2.54%          |
| Oil, Gas and Coal                         | 2.08%          |
| Telecommunications Equipment              | 2.06%          |
| Household Goods and Home Construction     | 2.00%          |
| Personal Care, Drug and Grocery Stores    | 1.99%          |
| Non-life Insurance                        | 1.81%          |
| Media                                     | 1.52%          |
| Real Estate Investment and Services       | 1.05%          |
| Food Producers                            | 1.02%          |
| Net other assets                          | 3.37%          |
| <b>Total</b>                              | <b>100.00%</b> |

| Major holdings                | Percentage of portfolio |
|-------------------------------|-------------------------|
| Chrysalis Investments Limited | 6.56%                   |
| Ascential                     | 5.38%                   |
| Auction Technology            | 4.43%                   |
| Trainline                     | 4.05%                   |
| Melrose Industries            | 3.99%                   |
| Ashtead                       | 3.84%                   |
| OSB                           | 3.67%                   |
| Games Workshop Group          | 3.13%                   |
| Big Yellow                    | 3.11%                   |
| Wizz Air                      | 3.09%                   |
| <b>Number of holdings</b>     | <b>43</b>               |

## Statement of Total Return

| For the year ended 31 July 2023   |      |                  |                         |                  |                           |
|---|------|------------------|-------------------------|------------------|---------------------------|
|   | Note | Year to 31.07.23 |                         | Year to 31.07.22 |                           |
|   |      | £'000            | £'000                   | £'000            | £'000                     |
| Income  |      |                  |                         |                  |                           |
| Net capital losses  | 2    |                  | (187,092)               |                  | (1,111,137)               |
| Revenue   | 3    | 23,352           |                         | 46,693           |                           |
| Expenses  | 4    | (9,961)          |                         | (25,661)         |                           |
| Net revenue before taxation   |      | <u>13,391</u>    |                         | <u>21,032</u>    |                           |
| Taxation  | 5    | <u>–</u>         |                         | <u>–</u>         |                           |
| Net revenue after taxation  |      |                  | <u>13,391</u>           |                  | <u>21,032</u>             |
| <b>Total return before distributions</b>  |      |                  | <b>(173,701)</b>        |                  | <b>(1,090,105)</b>        |
| Distributions   | 6    |                  | <u>(13,603)</u>         |                  | <u>(21,046)</u>           |
| <b>Change in net assets attributable to shareholders from investment activities</b> |      |                  | <b><u>(187,304)</u></b> |                  | <b><u>(1,111,151)</u></b> |

## Statement of Change in Net Assets Attributable to Shareholders

| For the year ended 31 July 2023  |                  |                       |                    |                         |
|--|------------------|-----------------------|--------------------|-------------------------|
|  | Year to 31.07.23 |                       | Year to 31.07.22   |                         |
|  | £'000            | £'000                 | £'000              | £'000                   |
| <b>Opening net assets attributable to shareholders</b>                       |                  | <b>1,650,689</b>      |                    | <b>3,524,015</b>        |
| Amounts receivable on issue of shares  | 38,496           |                       | 479,284            |                         |
| Amounts payable on cancellation of shares                                    | <u>(808,475)</u> |                       | <u>(1,251,894)</u> |                         |
|  |                  | (769,979)             |                    | (772,610)               |
| Change in net assets attributable to shareholders from investment activities |                  | (187,304)             |                    | (1,111,151)             |
| Retained distribution on accumulation shares                                 |                  | <u>8,261</u>          |                    | <u>10,435</u>           |
| <b>Closing net assets attributable to shareholders</b>                       |                  | <b><u>701,667</u></b> |                    | <b><u>1,650,689</u></b> |

The notes on pages 168 to 179 form an integral part of these financial statements.

## Balance Sheet

| As at 31 July 2023                             |      |                   |                   |
|--|------|-------------------|-------------------|
|  | Note | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
| <b>Assets</b>                                  |      |                   |                   |
| Fixed Assets:                                  |      |                   |                   |
| Investments                                    |      | 678,006           | 1,535,772         |
| Current assets:                                |      |                   |                   |
| Debtors  | 7    | 2,278             | 12,951            |
| Cash and bank balances                         | 8    | 29,795            | 134,061           |
| Total assets                                   |      | 710,079           | 1,682,784         |
| <b>Liabilities</b>                             |      |                   |                   |
| Creditors:                                     |      |                   |                   |
| Distributions payable                          |      | (2,206)           | (5,926)           |
| Other creditors                                | 9    | (6,206)           | (26,169)          |
| Total liabilities                              |      | (8,412)           | (32,095)          |
| <b>Net assets attributable to shareholders</b> |      | <b>701,667</b>    | <b>1,650,689</b>  |

The notes on pages 168 to 179 form an integral part of these financial statements.

## Notes to the Financial Statements

### 1. Significant Accounting Policies

The summary of applicable accounting policies adopted by the Jupiter UK Mid Cap Fund are included on pages 234 to 236.

### 2. Net Capital Losses

The net losses on investments during the year comprise:

|                                     | 31.07.23<br>£'000 | 31.07.22<br>£'000  |
|-------------------------------------|-------------------|--------------------|
| Currency losses                     | (13)              | –                  |
| Transaction charges                 | (2,386)           | –                  |
| Losses on non-derivative securities | (184,693)         | (1,111,137)        |
| <b>Net capital losses</b>           | <b>(187,092)</b>  | <b>(1,111,137)</b> |

### 3. Revenue

|                        | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|------------------------|-------------------|-------------------|
| UK dividends           | 19,599            | 40,081            |
| Overseas dividends     | –                 | 469               |
| Bank interest          | 560               | 35                |
| Management fee rebates | 623               | 790               |
| Revenue from REITs     | 2,570             | 5,318             |
| <b>Total revenue</b>   | <b>23,352</b>     | <b>46,693</b>     |

### 4. Expenses

|  | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--|-------------------|-------------------|
| <b>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</b> |                   |                   |
| Fixed Annual Charge*   | 9,961             | 1,224             |
| Fixed Ongoing Charge   | –                 | 24,437            |
| <b>Total expenses</b>  | <b>9,961</b>      | <b>25,661</b>     |

\*This figure represent the Fixed Annual Charge, which covers all fees payable by the sub-fund to the Authorised Corporate Director, Depositary (including associates etc.) and other expenses.

The audit fee for the year, excluding VAT, was £13,250 (31.07.22: £10,050).

## Notes to the Financial Statements *(continued)*

### 5. Taxation

#### (a) Analysis of charge in the year:

|                                      | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--------------------------------------|-------------------|-------------------|
| <b>Total tax charge for the year</b> | -                 | -                 |

#### (b) Factors affecting total tax charge for the year:

The tax assessed for the year is lower (2022: lower) than the standard rate of corporation tax in the UK for an open-ended investment company (20%). The differences are explained below:

|                                      | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--------------------------------------|-------------------|-------------------|
| Net revenue before taxation          | 13,391            | 21,032            |
| Corporation tax of 20% (2022: 20%)   | 2,678             | 4,206             |
| <b>Effects of:</b>                   |                   |                   |
| Current year expenses not utilised   | 1,205             | 3,767             |
| Revenue not subject to taxation      | (3,920)           | (8,110)           |
| Tax due to timing differences        | 37                | 137               |
| <b>Total tax charge for the year</b> | -                 | -                 |

OEICs are exempt from tax on capital gains, therefore any capital return is not included in the above reconciliation.

#### (c) Provision for Deferred Tax

At 31 July 2023, there are surplus management expenses of £285,627,474 (31.07.22: £279,602,726). It is unlikely the sub-fund will generate sufficient taxable profits in the future to utilise this amount and therefore a Deferred Tax asset of £57,125,495 (31.07.22: £55,920,545) has not been recognised.

## Notes to the Financial Statements *(continued)*

### 6. Distributions

The distributions take account of amounts received on the issue of shares and deducted on the cancellation of shares and comprise:

|   | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|---|-------------------|-------------------|
| Final distribution  | 10,467            | 16,361            |
|   | 10,467            | 16,361            |
| Amounts received on issue of shares                                   | (86)              | (1,544)           |
| Amounts paid on cancellation of shares                                | 3,222             | 6,229             |
| <b>Net distributions for the year</b>                                 | <b>13,603</b>     | <b>21,046</b>     |
| <b>Reconciliation of net revenue after taxation to distributions:</b> |                   |                   |
| Net revenue after taxation  | 13,391            | 21,032            |
| Equalisation on conversions   | 211               | 15                |
| Net movement in revenue account                                       | 1                 | (1)               |
| <b>Net distributions for the year</b>                                 | <b>13,603</b>     | <b>21,046</b>     |

Details of the distributions in pence per share are shown in the Distribution Table on pages 180 and 181.

### 7. Debtors

|  | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--|-------------------|-------------------|
| Accrued revenue                        | 2,065             | 984               |
| Amounts receivable for issue of shares | 2                 | 1,858             |
| Management fee rebates receivable      | 77                | 1,487             |
| Overseas tax recoverable               | 54                | 54                |
| PID tax recoverable                    | 80                | 80                |
| Sales awaiting settlement              | –                 | 8,488             |
| <b>Total debtors</b>                   | <b>2,278</b>      | <b>12,951</b>     |

### 8. Cash and Bank Balances

|                                     | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|-------------------------------------|-------------------|-------------------|
| Cash and bank balances              | 29,795            | 134,061           |
| <b>Total cash and bank balances</b> | <b>29,795</b>     | <b>134,061</b>    |

## Notes to the Financial Statements *(continued)*

### 9. Other Creditors

|  | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--|-------------------|-------------------|
| Accrued expenses                           | 125               | 315               |
| Amounts payable for cancellation of shares | 3,427             | 17,138            |
| Purchases awaiting settlement              | 2,654             | 8,716             |
| <b>Total other creditors</b>               | <b>6,206</b>      | <b>26,169</b>     |

### 10. Contingent Assets, Liabilities and Capital Commitments

The sub-fund had no contingent assets, liabilities or capital commitments at the balance sheet date (31.07.22: £nil).

### 11. Related Party Transactions

Jupiter Fund Managers Limited (prior to 14 November 2022) and Jupiter Unit Trust Managers Limited thereafter, as ACD, is a related party, and acts as principal in respect of all transactions of shares in each sub-fund. The aggregate monies received on issue and paid on cancellation are disclosed in the Statement of change in net assets attributable to shareholders on page 166. Any amounts due to or from ACD at the end of the accounting year in respect of transactions of shares in each sub-fund are disclosed in Notes 7 (Debtors) and 9 (Other Creditors).

Amounts receivable/(payable) from ACD in respect of issues/cancellations are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. At the year end, a net balance of £3,425,332 was payable to ACD (31.07.22: £15,280,410 payable to ACD). These amounts are included in amounts receivable for issue of shares in Note 7 and amounts payable for cancellation of shares in Note 9.

Any amounts due to or from ACD in respect of fund management is presented as Fixed Annual Charge in Note 4 (Expenses). At the year end, £124,915 (31.07.22: £315,212) was payable to ACD. This amount is included as part of accrued expenses in Note 9.

Where investments are held in other Jupiter products, a rebate could be paid into the sub-fund. Amounts received from other Jupiter products as management fee rebates are included in Note 2 (Net Capital Losses) and Note 3 (Revenue). At the year end, £76,890 (31.07.22: £1,486,762) was receivable from other Jupiter products. This amount is included as management fee rebates receivable in Note 7.

Holdings in other products where Jupiter are the Investment Manager at the year-end, which are shown in the portfolio statement on pages 162 to 164 are valued at £46,023,278 (31.07.22: £88,434,832). There were no outstanding trade transaction at year end (31.07.22: £nil).

There were no dividends received during the year (31.07.22: £nil). There were no related accrued revenue due to the sub-fund at year end (31.07.22: £nil).

### 12. Financial Instruments

#### Financial Instrument Risk

The sub-fund, in pursuing its investment objective, may hold a range of financial instruments in line with its investment policy.

The ACD has established a risk management policy and permanent risk management function to identify, measure, monitor and manage all risks relevant to the sub-fund. This is designed to meet the key requirements of investor protection and to ensure compliance with the FCA's regulatory requirements.

## Notes to the Financial Statements *(continued)*

### 12. Financial Instruments *(continued)*

Adherence to the investment guidelines and the investment and borrowing powers as set out in the Prospectus and in the rules of the Regulations also mitigates the risk of excessive exposure to any particular type of security or issuer. Further information on the investment portfolio is set out in the Investment Adviser's review and the Portfolio statement of each sub-fund.

The main risks arising from financial instruments are market risk, foreign currency, interest rate, liquidity, credit, and counterparty risk which are summarised below.

#### Market Risk

Market risk arises from uncertainty about future prices of financial instruments held. The main source of risk to the sub-fund is the potential movement in the value of financial instruments held as a result of price fluctuations. Stock market prices can move erratically and be unpredictably affected by diverse factors including political and economic events but also rumours and sentiment. The ACD adheres to the investment guidelines and borrowing powers set out within the Prospectus and the COLL Sourcebook. In this way the ACD monitors and controls the exposure to risk from any type of security, sector or issuer. The sub-fund may also use derivative instruments to mitigate this risk and reduce cost.

#### Market Price Risk Sensitivity

A five percent market movement in the price of investments held by the sub-fund, with all other variables remaining constant, would result in an increase or decrease on net asset value of the sub-fund by approximately £33,900,312 or 4.83% of NAV (31.07.22: £76,788,609 or 4.65% of NAV).

#### Foreign Currency Risk

A proportion of the sub-fund's financial assets and liabilities may be invested overseas. As a result, movements in exchange rates may affect the market price of investments and, due to timing differences between the transaction dates of investment sales, purchases and income, and actual cash settlement, create currency exchange gains/losses. The Investment Adviser does seek to reduce some of this risk by using forward currency contracts. At the year end, the fund had no foreign currency investments (31.07.22: nil).

#### Foreign Currency Risk Sensitivity

In the event of changes in exchange rates, there would be no material impact upon the assets of the sub-fund.



## Notes to the Financial Statements *(continued)*

### 12. Financial Instruments *(continued)*

#### Interest Rate Risk

Interest rate risk is the risk of movements in the value of financial instruments as a result of fluctuations in interest rates. The interest rate risk profile of the sub-fund's financial assets and liabilities at the year end were as follows:

| Currency        | Floating Rate<br>financial assets<br>£'000 | Fixed Rate<br>financial assets<br>£'000 | Financial assets<br>not carrying interest<br>£'000 | Total<br>£'000 |
|-----------------|--|---|--|----------------|
| <b>31.07.23</b> |  |   |  |                |
| US Dollar       | 298  | –                                       | 1  | 299            |
| Sterling        | 29,497                                     | –                                       | 680,283  | 709,780        |
| <b>Total</b>    | <b>29,795</b>                              | <b>–</b>                                | <b>680,284</b>                                     | <b>710,079</b> |

|                 |                |          |                  |                  |
|-----------------|----------------|----------|------------------|------------------|
| <b>31.07.22</b> |                |          |                  |                  |
| Sterling        | 134,061        | –        | 1,548,723        | 1,682,784        |
| <b>Total</b>    | <b>134,061</b> | <b>–</b> | <b>1,548,723</b> | <b>1,682,784</b> |

| Currency        | Floating Rate<br>financial liabilities<br>£'000 | Fixed Rate<br>financial liabilities<br>£'000 | Financial liabilities<br>not carrying interest<br>£'000 | Total<br>£'000 |
|-----------------|---|--|---|----------------|
| <b>31.07.23</b> |   |  |   |                |
| Sterling        | –   | –  | 8,412   | 8,412          |
| <b>Total</b>    | <b>–</b>  | <b>–</b>                                     | <b>8,412</b>  | <b>8,412</b>   |
| <b>31.07.22</b> |   |  |   |                |
| Sterling        | –   | –  | 32,095  | 32,095         |
| <b>Total</b>    | <b>–</b>  | <b>–</b>                                     | <b>32,095</b>   | <b>32,095</b>  |

There are no material amounts of non interest-bearing financial assets, which do not have maturity dates, other than equities, and therefore no sensitivity analysis has been disclosed in these financial statements.

The floating rate financial assets and liabilities include bank balances and overdrafts that bear interest. Interest rates on Sterling and overseas bank balances as supplied by the custodian may vary in line with market conditions and the size of deposit. Overdraft interest is calculated at the current Bank of England base rate plus 1.00%.

#### Liquidity Risk

The sub-fund's assets comprise mainly of readily realisable securities which can be sold promptly to meet liquidity requirements. The main source of this risk comes from the obligation to shareholders to meet any cancellation of shares.

Assets from the sub-fund may need to be sold to meet any redemption proceeds. As part of its operating duties the ACD regularly monitors the liquidity levels held on the sub-fund (cash and underlying securities) to ensure any redemption can be readily met. Some investments may be less liquid than other securities and can be more sensitive to economic factors. The rules of the Regulations mitigate the risk of excessive exposure to assets which are not readily realisable.

## Notes to the Financial Statements *(continued)*

### 12. Financial Instruments *(continued)*

#### Credit Risk

Credit risk is the risk of suffering loss due to another party not meeting its financial obligation. The risk is managed by the Investment Adviser who monitors the credit profile of financial instruments in accordance with the objective and policy of the sub-fund.

Adherence to the investment guidelines and the investment and borrowing powers as set out in the Prospectus and in the rules of the Regulations also mitigates the risk of excessive exposure to any particular type of security or issuer. Further information on the investment portfolio is set out in the Investment Adviser's review and the Portfolio Statement.

#### Counterparty Risk

Certain transactions in financial instruments that a sub-fund enters into have the risk that the counterparty will not meet its financial obligations, i.e. the investment (purchase) or cash (sale) after the sub-fund has fulfilled its responsibilities.

The sub-fund will only buy and sell investments through brokers which have been approved by the ACD and Investment Adviser as an acceptable counterparty. This is overseen by the Depositary to ensure that the exposure to any counterparty remains appropriate for investors.

#### Global Exposure

The Investment Adviser assesses the market risk of the Jupiter UK Mid Cap Fund, including any derivative exposures, using a commitment approach. All exposure arising through the investment in financial derivative instruments will be covered by the underlying assets of the sub-fund. The sub-fund uses the commitment approach methodology to measure, monitor and manage the "leverage" effect produced by the use of financial derivative instruments and for the calculation of global exposure. As the sub-fund will use the commitment approach, it must ensure that its global exposure does not exceed its total net asset value and sub-fund may not therefore be leveraged in excess of 100% of its net asset value. In using the commitment approach for the calculation of global exposure, the sub-fund will convert each derivative position into the market value of an equivalent position in the underlying asset of that derivative. Using the commitment approach, the global exposure is 0.00% (31.07.22: 0.00%).

## Notes to the Financial Statements *(continued)*

### 13. Fair Value of Financial Assets and Liabilities

There is no material difference between the carrying value of the financial assets and liabilities, as shown in the Balance sheet, and their fair value.

**The fair value of investments has been determined using the following hierarchy:**

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Level 3: Valuation techniques using unobservable inputs.

| Basis of valuation | Assets<br>£'000 | Liabilities<br>£'000 |
|--------------------|-----------------|----------------------|
| <b>31.07.23</b>    |                 |                      |
| Level 1            | 672,019         | –                    |
| Level 2            | –               | –                    |
| Level 3            | 5,987           | –                    |
| <b>Total</b>       | <b>678,006</b>  | <b>–</b>             |

| Basis of valuation | Assets<br>£'000  | Liabilities<br>£'000 |
|--------------------|------------------|----------------------|
| <b>31.07.22</b>    |                  |                      |
| Level 1            | 1,446,449        | –                    |
| Level 2            | –                | –                    |
| Level 3            | 89,323           | –                    |
| <b>Total</b>       | <b>1,535,772</b> | <b>–</b>             |

## Notes to the Financial Statements *(continued)*

### 13. Fair Value of Financial Assets and Liabilities *(continued)*

The majority of financial instruments are classified as level 1: Quoted prices. Instruments classified as level 3: Unobservable data mainly comprise non-market traded and unquoted securities.

Generally for the non-market traded and unquoted securities, where there is no price source from an active market for an investment, the ACD has applied judgement in determining the fair value. The ACD has used several valuation methodologies as prescribed in the International Private Equity and Venture Capital valuation guidelines to arrive at their best estimate of fair value. Valuation techniques used by the ACD are set out in Significant Accounting Policies (j). The fair value is established by using measures of value such as:

- **Price of recent transactions** — Management determine the fair value based on the price of recent transactions made by management or a third party.
- **Milestone analysis** — Management assess the investment company's progress against milestones expected at the time of investment in order to determine whether an adjustment is required to the transaction price to determine fair value.
- **Multiples** — Earnings or Revenue multiples are selected from comparable public companies based on geographic location, industry, size, risk profile, earnings growth prospects, target markets and other factors that management consider reasonable. A discount for lack of liquidity may then be applied to represent the adjustment to comparable company multiples to reflect the illiquidity of the portfolio companies relative to the comparable peer group. Management determines the discount for lack of liquidity based on its judgement, after considering market liquidity conditions and company specific factors such as the development stage of the portfolio company. Among the most common forms of multiples used for cash generating companies are EV/EBITDA and EV/Revenue multiples, generally seen to represent a good proxy for free cash flow and company performance. These are applied where appropriate based on the development of underlying portfolio companies but other inputs such as comparable company share price movements may also be considered.
- **Net assets** — Management determine the fair value based on the net asset value of the underlying portfolio company. In applying the above valuation techniques in arriving at the fair value the ACD has assessed any further information available from internal and external sources to arrive at an estimated fair value, which includes but is not limited to the following:
  - Reference to listed securities of the same company.
  - Consideration of seniority of the securities held and terms of repayment upon realisation.
  - Consideration of any trading restrictions on the investment company's shares that would limit ACD's ability to realise its holding.
  - Consideration of any outstanding payments to be made by ACD.
  - Industry statistics or events (such as mergers and acquisitions).

The fair value of the sub-fund's investment in Secret Escapes and Secret Escape (Series E preference) are determined using the outsourced provider S&P Global (formerly IHS Markit) with their market approach using comparable traded multiples and the price is assessed and agreed by the governance process in place by the Unlisted Asset Valuation Committee (UAVC).

## Notes to the Financial Statements *(continued)*

### 14. Portfolio Transaction Costs

For the year ended 31 July 2023

|  | Equities<br>£'000 | %    | Total<br>£'000   |
|--|-------------------|------|------------------|
| <b>31.07.23</b>                            |                   |      |                  |
| <b>Analysis of total purchases costs</b>   |                   |      |                  |
| Purchases in year before transaction costs | 434,741           |      | 434,741          |
| Commissions                                | 182               | 0.04 | 182              |
| Expenses and other charges                 | 1,960             | 0.45 | 1,960            |
|  | <u>2,142</u>      |      | <u>2,142</u>     |
| Purchases including transaction costs      | <u>436,883</u>    |      | <u>436,883</u>   |
| <b>Analysis of total sales costs</b>       |                   |      |                  |
| Sales in year before transaction costs     | 1,110,412         |      | 1,110,412        |
| Commissions                                | (456)             | 0.04 | (456)            |
| Expenses and other charges                 | (1)               | 0.00 | (1)              |
|  | <u>(457)</u>      |      | <u>(457)</u>     |
| Sales net of transaction costs             | <u>1,109,955</u>  |      | <u>1,109,955</u> |

Commissions, taxes and expenses and other charges as % of average net assets:

|                            |       |
|----------------------------|-------|
| Commissions                | 0.06% |
| Expenses and other charges | 0.19% |

The average portfolio dealing spread as at the balance sheet date was 0.12%.

## Notes to the Financial Statements *(continued)*

### 14. Portfolio Transaction Costs *(continued)*

For the year ended 31 July 2022

|  | Equities<br>£'000 | %    | Total<br>£'000   |
|--|-------------------|------|------------------|
| <b>31.07.22</b>                            |                   |      |                  |
| <b>Analysis of total purchases costs</b>   |                   |      |                  |
| Purchases in year before transaction costs | 674,088           |      | 674,088          |
| Commissions                                | 271               | 0.04 | 271              |
| Expenses and other charges                 | 3,237             | 0.48 | 3,237            |
|  | <u>3,508</u>      |      | <u>3,508</u>     |
| Purchases including transaction costs      | <u>677,596</u>    |      | <u>677,596</u>   |
| <b>Analysis of total sales costs</b>       |                   |      |                  |
| Sales in year before transaction costs     | 1,521,029         |      | 1,521,029        |
| Commissions                                | (613)             | 0.04 | (613)            |
| Expenses and other charges                 | (1)               | 0.00 | (1)              |
|  | <u>(614)</u>      |      | <u>(614)</u>     |
| Sales net of transaction costs             | <u>1,520,415</u>  |      | <u>1,520,415</u> |

Commissions, taxes and expenses and other charges as % of average net assets:

|                            |       |
|----------------------------|-------|
| Commissions                | 0.03% |
| Expenses and other charges | 0.12% |

The average portfolio dealing spread as at the balance sheet date was 0.09%.

## Notes to the Financial Statements *(continued)*

### 15. Shareholders' Funds

The net asset value of each share class, net asset value per share and the number of shares in issue are given in the comparative tables for each sub-fund.

The share classes currently in issue and the Fixed Annual Charge of each share class are shown below.

| Share Class                    | 31.07.23 | 31.07.22 |
|--------------------------------|----------|----------|
| L (GBP) Income Shares          | 1.60%    | 1.60%    |
| L (GBP) Accumulation Shares    | 1.60%    | 1.60%    |
| I (GBP) Income Shares          | 0.85%    | 0.85%    |
| I (GBP) Accumulation Shares    | 0.85%    | 0.85%    |
| P (GBP) Income Shares          | 1.10%    | 1.10%    |
| P (GBP) Accumulation Shares    | 1.10%    | 1.10%    |
| Z1 (GBP) Income Shares*        | 0.775%   | 0.775%   |
| Z1 (GBP) Accumulation Shares*  | 0.775%   | 0.775%   |
| Z2 (GBP) Income Shares**       | 0.70%    | 0.70%    |
| Z2 (GBP) Accumulation Shares** | 0.70%    | 0.70%    |

| Reconciliation of Shares                  | L (GBP)<br>Income | L (GBP)<br>Accumulation | I (GBP)<br>Income | I (GBP)<br>Accumulation |
|---|-------------------|-------------------------|-------------------|-------------------------|
| Opening number of shares at 1 August 2022 | 26,063,810        | 66,092,374              | 67,465,526        | 182,934,345             |
| Shares issued in year                     | 316,672           | 954,557                 | 4,617,185         | 4,515,550               |
| Shares cancelled in year                  | (22,376,567)      | (23,901,585)            | (48,426,399)      | (84,369,821)            |
| Shares converted in year                  | (1,183,734)       | (14,661,760)            | (269,653)         | 19,219,977              |
| Closing number of shares at 31 July 2023  | 2,820,181         | 28,483,586              | 23,386,659        | 122,300,051             |

| Reconciliation of Shares                  | P (GBP)<br>Income | P (GBP)<br>Accumulation | Z1 (GBP)<br>Income* | Z1 (GBP)<br>Accumulation* |
|---|-------------------|-------------------------|---------------------|---------------------------|
| Opening number of shares at 1 August 2022 | 1,061,817         | 2,228,839               | 67,181,857          | 226,416,942               |
| Shares issued in year                     | 278               | 33,312                  | 571,832             | 7,093,503                 |
| Shares cancelled in year                  | (253,015)         | (863,050)               | (44,775,077)        | (104,672,857)             |
| Shares converted in year                  | (49,055)          | (36,842)                | 3,415,928           | 3,137,173                 |
| Closing number of shares at 31 July 2023  | 760,025           | 1,362,259               | 26,394,540          | 131,974,762               |

| Reconciliation of Shares                  | Z2 (GBP)<br>Income** | Z2 (GBP)<br>Accumulation** |
|---|----------------------|----------------------------|
| Opening number of shares at 1 August 2022 | 186,261,662          | 27,988,852                 |
| Shares issued in year                     | 2,351,308            | 2,215,689                  |
| Shares cancelled in year                  | (137,713,671)        | (18,836,013)               |
| Shares converted in year                  | 181,231              | 377,471                    |
| Closing number of shares at 31 July 2023  | 51,080,530           | 11,745,999                 |

\*With effect from 01 July 2022, U1 Shares have been re-named as Z1 Shares.

\*\*With effect from 01 July 2022, U2 Shares have been re-named as Z2 Shares.

## Distribution Table

### For the year ended 31 July 2023

#### FINAL

Group 1: Shares purchased prior to 1 August 2022

Group 2: Shares purchased on or after 1 August 2022 to 31 July 2023

|                       | Revenue         | Equalisation    | Distribution paid<br>29.09.23 | Distribution paid<br>30.09.22 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| L (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 2.3541          | –               | 2.3541                        | 0.5830                        |
| Group 2               | 1.9108          | 0.4433          | 2.3541                        | 0.5830                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>29.09.23 | Distribution accumulated<br>30.09.22 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| L (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 2.6843          | –               | 2.6843                               | 0.6634                               |
| Group 2                     | 2.1133          | 0.5710          | 2.6843                               | 0.6634                               |

|                       | Revenue         | Equalisation    | Distribution paid<br>29.09.23 | Distribution paid<br>30.09.22 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| I (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 2.7723          | –               | 2.7723                        | 2.2893                        |
| Group 2               | 2.5099          | 0.2624          | 2.7723                        | 2.2893                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>29.09.23 | Distribution accumulated<br>30.09.22 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| I (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 3.6032          | –               | 3.6032                               | 2.9412                               |
| Group 2                     | 2.6322          | 0.9710          | 3.6032                               | 2.9412                               |

|                       | Revenue         | Equalisation    | Distribution paid<br>29.09.23 | Distribution paid<br>30.09.22 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| P (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 2.3027          | –               | 2.3027                        | 1.6255                        |
| Group 2               | 1.5048          | 0.7979          | 2.3027                        | 1.6255                        |



## Distribution Table *(continued)*

### For the year ended 31 July 2023

#### FINAL

Group 1: Shares purchased prior to 1 August 2022

Group 2: Shares purchased on or after 1 August 2022 to 31 July 2023

|                                | Revenue            | Equalisation       | Distribution accumulated<br>29.09.23 | Distribution accumulated<br>30.09.22 |
|--------------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| P (GBP) Accumulation<br>Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                        | 3.8257             | –                  | 3.8257                               | 2.6894                               |
| Group 2                        | 2.9759             | 0.8498             | 3.8257                               | 2.6894                               |

|                            | Revenue            | Equalisation       | Distribution paid<br>29.09.23 | Distribution paid<br>30.09.22 |
|----------------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| Z1 (GBP) Income*<br>Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1                    | 1.9282             | –                  | 1.9282                        | 1.6622                        |
| Group 2                    | 1.4726             | 0.4556             | 1.9282                        | 1.6622                        |

|                                  | Revenue            | Equalisation       | Distribution accumulated<br>29.09.23 | Distribution accumulated<br>30.09.22 |
|----------------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| Z1 (GBP) Accumulation*<br>Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                          | 2.1009             | –                  | 2.1009                               | 1.7707                               |
| Group 2                          | 1.5544             | 0.5465             | 2.1009                               | 1.7707                               |

|                             | Revenue            | Equalisation       | Distribution paid<br>29.09.23 | Distribution paid<br>30.09.22 |
|-----------------------------|--------------------|--------------------|-------------------------------|-------------------------------|
| Z2 (GBP) Income**<br>Shares | pence<br>per share | pence<br>per share | pence<br>per share            | pence<br>per share            |
| Group 1                     | 1.8893             | –                  | 1.8893                        | 1.6620                        |
| Group 2                     | 1.4860             | 0.4033             | 1.8893                        | 1.6620                        |

|                                   | Revenue            | Equalisation       | Distribution accumulated<br>29.09.23 | Distribution accumulated<br>30.09.22 |
|-----------------------------------|--------------------|--------------------|--------------------------------------|--------------------------------------|
| Z2 (GBP) Accumulation**<br>Shares | pence<br>per share | pence<br>per share | pence<br>per share                   | pence<br>per share                   |
| Group 1                           | 2.2535             | –                  | 2.2535                               | 1.9539                               |
| Group 2                           | 1.8556             | 0.3979             | 2.2535                               | 1.9539                               |

\*With effect from 01 July 2022, U1 Shares have been re-named as Z1 Shares.

\*\*With effect from 01 July 2022, U2 Shares have been re-named as Z2 Shares.

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of revenue included in the purchase price of all Group 2 shares and is refunded to holders of these shares as a return of capital. Being capital, it is not liable to Income Tax but must be deducted from the cost of shares for Capital Gains Tax purposes.

## Jupiter UK Opportunities Fund

### Cumulative Performance (% change to 31 July 2023)

|                                       | 1 year | 3 years | 5 years | 10 years |
|---------------------------------------|--------|---------|---------|----------|
| Jupiter UK Opportunities Fund*        | 5.0    | 0.1     | 1.7     | (1.9)    |
| Bank of England Base Rate (Benchmark) | 3.6    | 4.2     | 5.6     | 7.9      |
| Quartile Ranking                      | 1st    | 3rd     | 4th     | 4th      |

\*Source: Morningstar, gross income reinvested net of fees, in GBP. The statistics disclosed above relate to I-Class Shares unless otherwise stated. Past performance is no guide to the future.

### Investment Objective and Policy

To deliver an absolute return (above zero performance, irrespective of market conditions) over rolling 3 year periods. In seeking to achieve its investment objective the sub-fund will aim to deliver a return, net of fees, in excess of the Bank of England Base Rate over rolling 3 years.

There is no guarantee that such return will be generated over that specific time period or any other period, and any capital invested is at risk.

The sub-fund will obtain exposure, either directly or through derivatives, primarily (at least 70%) to UK equities and convertible bonds. UK equities are equities of companies domiciled or incorporated in the UK, or that conduct a significant part of their business in the UK. Such investments will be across the market capitalisation spectrum, with the majority of these being companies included in the FTSE 100 and FTSE 250 indices. Up to 15% of the sub-fund's NAV may be exposed to non-UK equities and non-UK convertible bonds.

The sub-fund will use derivatives for investment purposes, principally by taking long and short positions in order to gain exposure to particular companies, industries or sectors. The use of derivatives for this purpose may affect the volatility or risk profile of the sub-fund although this is not the ACD's intention.

The sub-fund may also invest in transferable securities, units in collective investment schemes (including those managed or operated by the ACD), warrants, money market instruments and deposits. Where the sub-fund gains exposure through derivatives, its physical assets will consist of cash deposits or short term investment grade money market instruments to provide cover for this exposure.

### Market Review

Overall equity markets were reasonably solid through the year, but the start of the period was characterised by a continuation of the market falls seen in the prior year, before we saw a recovery as the year progressed. Persistently high rates of inflation meant the pace of interest rate increases from central banks was relentless as they believe this is the best and/or only tool available to try and control inflation. In the UK we experienced a brief period of extraordinary political uncertainty in the Autumn as the brief leadership of a new Prime Minister and Chancellor caused a major reaction in the gilt market, which in turn led to problems among some large pension funds. At this point markets had fallen significantly all (calendar) year and sentiment was very bearish, particularly towards the UK. Inflation had peaked in the US at the very end of the previous reporting period with Europe and the UK following roughly 3 to 6 months later, albeit with inflation in the UK falling more slowly than elsewhere.

As a result, equity markets began to rally, led by consumer and cyclical areas which had sold off most through the period of increasing inflation. This rally was sustained through to the end of the period despite a mini banking crisis in the Spring as several regional US banks failed and UBS was forced to rescue Credit Suisse. Labour markets both in the UK and elsewhere remained strong and as inflation (and expectations of inflation) fell, economic activity was stronger than most observers expected, and recession was avoided in the UK. Over the period, the FTSE All Share index produced a total return of 6.1%, lower than many other developed market indexes, but the UK benchmark didn't suffer as much of a fall as in the prior year.

## Policy Review

The sub-fund returned 5.0% for the year. As a broadly market neutral fund, we aim to drive returns irrespective of market conditions and do not aim to take significant bets on macroeconomic factors. Instead we aim to drive returns from long positions in stocks we think can outperform throughout the stock market cycle while shorting companies we think are overvalued, or where the prevailing market perception of the likely outlook is too optimistic. We then use a short position in the index to cover off the difference between the long and short books to leave the fund broadly market neutral. Performance was driven largely by the long book, with a small contribution from the stock short book, both of which were partly offset by the index hedges given the positive market backdrop.

Key individual contributors were US construction focused business CRH (who provide materials to make things) and Ashtead (who rent equipment used to make things), and Aerospace and Automobile component manufacturer Melrose, who executed a plan to create value by splitting itself into two. There was also a good contribution from some consumer exposed companies as inflation fell and the economic environment surprised positively against very bearish expectations previously. Dunelm and Burberry, at opposite ends of the volume/value spectrum, both contributed well.

Performance on the short book was good, especially considering the strong market backdrop – particularly for ‘value’ and widely shorted companies. Companies in the chemicals industry saw an unwind from some Covid benefits as ‘destocking’ became the word of the moment as companies issued warnings about their profits. Telecoms company BT raised its prices very aggressively and above the pay rises it gave to its staff, but this did not lead to significant profit or cash growth. The company is not making enough cash, after investing to build new broadband infrastructure and paying into its pension there is not enough cash left over to pay its dividend, and this is despite the UK government not asking it to pay tax for 5 years. The shares underperformed over the period despite its clear benefit from inflation linked pricing. The contribution from the short book was, however, modest as the overall size of the book is limited.

Negative contributors to performance came from One Savings Bank, which suffered from a large adjustment to its profit outlook as customers spent less time than expected paying high rates in the short term before moving to new deals. Pharma group GSK underperformed as litigation risks surfaced around a drug it has manufactured over many years. We think these fears could be overblown and believe management have done a very good job in executing deals to position the company to deliver growth.

## Investment Outlook

Looking forward the key macroeconomic call has been the inflationary outlook. Inflation is now falling across developed markets although is still above target levels and especially so in the UK. The initial relief of falling inflation alongside a strong labour market has supported equity markets, which have continued to rally on weaker economic data which suggests we are at, or very close to, the end of the interest rate tightening cycle. It is possible that inflation is now structurally higher than it has been for many years but after the shock of the sharp increases in 2021 and 2022 it is likely that market leadership (which is what we are primarily concerned about given the aims of this fund) could be more balanced going forward. In this context, we retain a broadly balanced investment view without very large macroeconomic factor bets. Equity valuations in the UK are unlikely to prove expensive unless the delivery of profits in coming years is significantly worse than expected.

August 2023

## Risk and Reward Profile



The calculated risk and reward category, as shown above, uses a method of calculation derived from EU rules. It is based on the rate at which the returns of the sub-fund have moved up and down in the past (i.e. volatility) and is not a guide to the future risk and reward category of the sub-fund. The category shown is not a target or guarantee and may shift over time. Even the lowest category 1 does not mean a risk-free investment. The seven-category scale is nonlinear, for example, 2 is not twice as risky as 1.

Sub-funds in category 4 have in the past shown moderate volatility. With a sub-fund of category 4, you have a moderate risk of losing money but your chance for gains is also moderate.

## Comparative Tables

| Change in net asset per share                |                      |                 |                 |                      |                 |                 |
|--|----------------------|-----------------|-----------------|----------------------|-----------------|-----------------|
|  | L (GBP) Accumulation |                 |                 | I (GBP) Accumulation |                 |                 |
|  | 31.07.23<br>(p)      | 31.07.22<br>(p) | 31.07.21<br>(p) | 31.07.23<br>(p)      | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share            | 102.75               | 108.76          | 109.40          | 111.03               | 116.65          | 116.45          |
| Return before operating charges*             | 6.70                 | (4.27)          | 1.18            | 6.74                 | (4.60)          | 1.26            |
| Operating charges                            | (1.71)               | (1.74)          | (1.82)          | (1.03)               | (1.02)          | (1.06)          |
| Return after operating charges*              | 4.99                 | (6.01)          | (0.64)          | 5.71                 | (5.62)          | 0.20            |
| Distribution on accumulation share           | (1.58)               | –               | –               | (2.02)               | –               | –               |
| Retained distributions on accumulation share | 1.58                 | –               | –               | 2.02                 | –               | –               |
| Closing net asset value per share            | 107.74               | 102.75          | 108.76          | 116.74               | 111.03          | 116.65          |
| *after direct transaction costs of:          | 0.03                 | 0.04            | 0.06            | 0.03                 | 0.05            | 0.07            |
| Performance                                  |                      |                 |                 |                      |                 |                 |
| Return after charges (%)                     | 4.86                 | (5.53)          | (0.59)          | 5.14                 | (4.82)          | 0.17            |
| Other Information                            |                      |                 |                 |                      |                 |                 |
| Closing net asset value (£'000)              | 1,160                | 5,135           | 6,304           | 5,137                | 1,371           | 1,572           |
| Closing number of shares                     | 1,076,513            | 4,997,320       | 5,795,951       | 4,400,950            | 1,234,595       | 1,348,036       |
| Operating charges (%)                        | 1.65                 | 1.65            | 1.65            | 0.90                 | 0.90            | 0.90            |
| Direct transaction costs (%)                 | 0.03                 | 0.04            | 0.06            | 0.03                 | 0.04            | 0.06            |
| Prices                                       |                      |                 |                 |                      |                 |                 |
| Highest share price (p)                      | 108.37               | 111.39          | 112.10          | 117.32               | 119.60          | 119.60          |
| Lowest share price (p)                       | 101.54               | 101.46          | 107.80          | 109.92               | 109.58          | 115.10          |

| Change in net asset per share                |                       |                 |                 |
|--|-----------------------|-----------------|-----------------|
|  | U1 (GBP) Accumulation |                 |                 |
|  | 31.07.23<br>(p)       | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share            | 86.30                 | 90.60           | 90.38           |
| Return before operating charges*             | 5.32                  | (3.57)          | 0.98            |
| Operating charges                            | (0.73)                | (0.73)          | (0.76)          |
| Return after operating charges*              | 4.59                  | (4.30)          | 0.22            |
| Distribution on accumulation share           | (1.67)                | –               | –               |
| Retained distributions on accumulation share | 1.67                  | –               | –               |
| Closing net asset value per share            | 90.89                 | 86.30           | 90.60           |
| *after direct transaction costs of:          | 0.03                  | 0.04            | 0.05            |
| Performance                                  |                       |                 |                 |
| Return after charges (%)                     | 5.32                  | (4.75)          | 0.24            |
| Other Information                            |                       |                 |                 |
| Closing net asset value (£'000)              | 924                   | 1,264           | 1,853           |
| Closing number of shares                     | 1,016,688             | 1,464,696       | 2,045,428       |
| Operating charges (%)                        | 0.825                 | 0.825           | 0.825           |
| Direct transaction costs (%)                 | 0.03                  | 0.04            | 0.06            |
| Prices                                       |                       |                 |                 |
| Highest share price (p)                      | 91.34                 | 92.90           | 92.82           |
| Lowest share price (p)                       | 85.45                 | 85.17           | 89.36           |

## Portfolio Statement

As at 31 July 2023

| Holding                                  | Investment                                 | Market value<br>£ | Total net assets<br>% |
|--|--|-------------------|-----------------------|
| <b>EQUITIES - 46.99% (36.46%)</b>        |  |                   |                       |
| <b>Australia - 1.54% (1.33%)</b>         |  |                   |                       |
| 4,584                                    | BHP (UK Listing)                           | 111,231           | 1.54                  |
| <b>Ireland - 5.17% (3.61%)</b>           |  |                   |                       |
| 5,865                                    | CRH (UK Listing)                           | 272,664           | 3.78                  |
| 3,347                                    | Experian                                   | 100,677           | 1.39                  |
|  |  | 373,341           | 5.17                  |
| <b>Switzerland - 2.73% (2.47%)</b>       |  |                   |                       |
| 41,665                                   | Glencore                                   | 197,284           | 2.73                  |
| <b>United Kingdom - 37.55% (29.05%)</b>  |  |                   |                       |
| 4,390                                    | Ashtead                                    | 252,688           | 3.50                  |
| 10,320                                   | Auto Trader Group                          | 66,667            | 0.92                  |
| 4,680                                    | Burberry                                   | 104,036           | 1.44                  |
| 125,132                                  | Centrica                                   | 172,745           | 2.39                  |
| 60,454                                   | Chemring                                   | 171,085           | 2.37                  |
| 26,358                                   | Dowlais Group                              | 32,407            | 0.45                  |
| 11,479                                   | Dunelm                                     | 132,008           | 1.83                  |
| 12,404                                   | Entain                                     | 171,919           | 2.38                  |
| 72,598                                   | JD Sports Fashion                          | 114,451           | 1.58                  |
| 5,822                                    | JET2                                       | 65,439            | 0.91                  |
| 179,942                                  | Lloyds Banking                             | 80,857            | 1.12                  |
| 2,081                                    | London Stock Exchange Group                | 176,094           | 2.44                  |
| 26,358                                   | Melrose Industries                         | 139,645           | 1.93                  |
| 2,521                                    | Next                                       | 177,630           | 2.46                  |
| 40,083                                   | OSB  | 147,185           | 2.04                  |
| 28,756                                   | Pets at Home                               | 112,839           | 1.56                  |
| 7,478                                    | Prudential                                 | 80,912            | 1.12                  |
| 2,494                                    | Reckitt Benckiser                          | 145,550           | 2.02                  |
| 14,060                                   | Rentokil Initial                           | 89,197            | 1.24                  |
| 4,695                                    | SSE  | 79,134            | 1.10                  |
| 9,599                                    | Tate & Lyle                                | 71,609            | 0.99                  |
| 52,559                                   | Taylor Wimpey                              | 60,101            | 0.83                  |
| 7,884                                    | WPP  | 67,140            | 0.93                  |
|  |  | 2,711,338         | 37.55                 |
| <b>DEBT SECURITIES - 43.77% (51.25%)</b> |  |                   |                       |
| <b>United Kingdom - 43.77% (51.25%)</b>  |  |                   |                       |
| £500,000                                 | United Kingdom Treasury Bill 0% 04/09/2023 | 497,629           | 6.89                  |
| £700,000                                 | United Kingdom Treasury Bill 0% 18/09/2023 | 695,211           | 9.63                  |
| £500,000                                 | United Kingdom Treasury Bill 0% 16/10/2023 | 494,452           | 6.85                  |
| £500,000                                 | United Kingdom Treasury Bill 0% 06/11/2023 | 492,896           | 6.82                  |

## Portfolio Statement *(continued)*

As at 31 July 2023

| Holding   | Investment   | Market value<br>£ | Total net assets<br>% |
|---|--|-------------------|-----------------------|
| <b>United Kingdom (continued)</b>                 |  |                   |                       |
| £500,000  | United Kingdom Treasury Bill 0% 04/12/2023                                       | 490,731           | 6.80                  |
| £500,000  | United Kingdom Treasury Bill 0% 18/12/2023                                       | 489,633           | 6.78                  |
|   |  | 3,160,552         | 43.77                 |
| <b>DERIVATIVES - (2.35%) (1.82%)</b>              |  |                   |                       |
| <b>Contracts for Difference - (2.35%) (1.82%)</b> |  |                   |                       |
| (12,785)  | A.G. BARR Contract for difference<br>Notional value - GBP (58,172)               | (2,110)           | (0.03)                |
| (27,318)  | ABRDN Contract for difference<br>Notional value - GBP (59,062)                   | (4,289)           | (0.06)                |
| 5,055   | AstraZeneca (UK Listing) Contract for difference<br>Notional value - GBP 509,645 | 55,706            | 0.77                  |
| 42,506  | Barclays Contract for difference<br>Notional value - GBP 63,699                  | 2,168             | 0.03                  |
| 12,209  | Barratt Developments Contract for difference<br>Notional value - GBP 49,971      | 5,787             | 0.08                  |
| 23,482  | BP Contract for difference<br>Notional value - GBP 108,076                       | 5,342             | 0.08                  |
| 2,332   | British American Tobacco Contract for difference<br>Notional value - GBP 59,478  | 1,516             | 0.02                  |
| (52,046)  | BT Contract for difference<br>Notional value - GBP (63,626)                      | 130               | -                     |
| (889)   | Croda International Contract for difference<br>Notional value - GBP (50,122)     | (2,240)           | (0.03)                |
| (56,521)  | Currys Contract for difference<br>Notional value - GBP (28,826)                  | (1,300)           | (0.02)                |
| (2,281)   | Derwent London Contract for difference<br>Notional value - GBP (47,490)          | (775)             | (0.01)                |
| 2,030   | Diageo Contract for difference<br>Notional value - GBP 66,777                    | 2,192             | 0.03                  |
| (622)   | FTSE 100 Index Contract for difference<br>Notional value - GBP (4,529,727)       | (259,306)         | (3.59)                |
| 12,324  | GSK Contract for difference<br>Notional value - GBP 162,430                      | 8,159             | 0.11                  |
| 15,405  | Haleon Contract for difference<br>Notional value - GBP 47,532                    | 4,275             | 0.06                  |
| (2,001)   | Halma Contract for difference<br>Notional value - GBP (43,442)                   | (1,301)           | (0.02)                |
| 32,582  | HSBC (UK Listing) Contract for difference<br>Notional value - GBP 195,785        | 14,760            | 0.21                  |
| (62,773)  | ITV Contract for difference<br>Notional value - GBP (42,334)                     | (3,076)           | (0.04)                |
| (49,317)  | Naked Wines Contract for difference<br>Notional value - GBP (39,059)             | 2,318             | 0.03                  |
| (5,866)   | Ocado Contract for difference<br>Notional value - GBP (34,492)                   | (20,554)          | (0.28)                |
| 3,340   | Rio Tinto (UK Listing) Contract for difference<br>Notional value - GBP 165,230   | 6,780             | 0.09                  |

## Portfolio Statement *(continued)*

As at 31 July 2023

| Holding                                     | Investment  | Market value<br>£ | Total net assets<br>% |
|---|---|-------------------|-----------------------|
| <b>Contracts for Difference (continued)</b> |   |                   |                       |
| 14,640                                      | Shell Contract for difference<br>Notional value - GBP 339,648                     | 6,661             | 0.09                  |
| (424)                                       | Spirax-Sarco Engineering Contract for difference<br>Notional value - GBP (42,129) | (5,041)           | (0.07)                |
| 24,158                                      | Tesco Contract for difference<br>Notional value - GBP 59,284                      | 3,044             | 0.04                  |
| (53,214)                                    | THG Contract for difference<br>Notional value - GBP (49,968)                      | (4,869)           | (0.07)                |
| 6,721                                       | Unilever (UK Listing) Contract for difference<br>Notional value - GBP 266,185     | 15,458            | 0.22                  |
| (4,320)                                     | Victrex Contract for difference<br>Notional value - GBP (64,670)                  | (2,030)           | (0.03)                |
| (5,021)                                     | Wetherspoon (J.D.) Contract for difference<br>Notional value - GBP (33,264)       | (678)             | (0.01)                |
| 2,080                                       | Whitbread Contract for difference<br>Notional value - GBP 69,285                  | 3,494             | 0.05                  |
|   |   | (169,779)         | (2.35)                |
|   | Total value of investments  | 6,383,967         | 88.41                 |
|   | Net other assets  | 837,387           | 11.59                 |
|   | <b>Net assets</b>   | <b>7,221,354</b>  | <b>100.00</b>         |

All holdings are ordinary shares or stock units unless otherwise stated.

Notional value illustrates the face value of the exposure to the underlying instruments on which the derivative contracts are traded and indicates the exposure the Fund has to the underlying stock or index it relates to.

The figures in brackets show allocations as at 31 July 2022.



| Asset allocation |                |
|------------------|----------------|
| Equities         | 46.99%         |
| Debt Securities  | 43.77%         |
| Derivatives      | (2.35)%        |
| Net other assets | 11.59%         |
| <b>Total</b>     | <b>100.00%</b> |

| Portfolio allocation |                |
|----------------------|----------------|
| United Kingdom       | 81.32%         |
| Ireland              | 5.17%          |
| Switzerland          | 2.73%          |
| Australia            | 1.54%          |
| Derivatives          | (2.35)%        |
| Net other assets     | 11.59%         |
| <b>Total</b>         | <b>100.00%</b> |

| Major holdings                             | Percentage of portfolio |
|--|-------------------------|
| United Kingdom Treasury Bill 0% 18/09/2023 | 9.63%                   |
| United Kingdom Treasury Bill 0% 04/09/2023 | 6.89%                   |
| United Kingdom Treasury Bill 0% 16/10/2023 | 6.85%                   |
| United Kingdom Treasury Bill 0% 06/11/2023 | 6.82%                   |
| United Kingdom Treasury Bill 0% 04/12/2023 | 6.80%                   |
| United Kingdom Treasury Bill 0% 18/12/2023 | 6.78%                   |
| CRH (UK Listing)                           | 3.78%                   |
| Ashtead                                    | 3.50%                   |
| Glencore                                   | 2.73%                   |
| Next                                       | 2.46%                   |
| <b>Number of holdings</b>                  | <b>62</b>               |

## Statement of Total Return

| For the year ended 31 July 2023   |      |                  |            |                  |              |
|---|------|------------------|------------|------------------|--------------|
|   | Note | Year to 31.07.23 |            | Year to 31.07.22 |              |
|   |      | £'000            | £'000      | £'000            | £'000        |
| Income  |      |                  |            |                  |              |
| Net capital gains/(losses)  | 2    |                  | 237        |                  | (352)        |
| Revenue   | 3    | 512              |            | 251              |              |
| Expenses  | 4    | (89)             |            | (118)            |              |
| Interest payable and similar charges  | 5    | (310)            |            | (220)            |              |
| Net revenue/(expense) before taxation   |      | 113              |            | (87)             |              |
| Taxation  | 6    | –                |            | –                |              |
| Net revenue/(expense) after taxation  |      |                  | 113        |                  | (87)         |
| <b>Total return before distributions</b>  |      |                  | <b>350</b> |                  | <b>(439)</b> |
| Distributions   | 7    |                  | (127)      |                  | 5            |
| <b>Change in net assets attributable to shareholders from investment activities</b> |      |                  | <b>223</b> |                  | <b>(434)</b> |

## Statement of Change in Net Assets Attributable to Shareholders

| For the year ended 31 July 2023  |                  |              |                  |              |
|--|------------------|--------------|------------------|--------------|
|  | Year to 31.07.23 |              | Year to 31.07.22 |              |
|  | £'000            | £'000        | £'000            | £'000        |
| <b>Opening net assets attributable to shareholders</b>                       |                  | <b>7,770</b> |                  | <b>9,729</b> |
| Amounts receivable on issue of shares  | 409              |              | 407              |              |
| Amounts payable on cancellation of shares                                    | (1,304)          |              | (1,932)          |              |
|  |                  | (895)        |                  | (1,525)      |
| Change in net assets attributable to shareholders from investment activities |                  | 223          |                  | (434)        |
| Retained distribution on accumulation shares                                 |                  | 123          |                  | –            |
| <b>Closing net assets attributable to shareholders</b>                       |                  | <b>7,221</b> |                  | <b>7,770</b> |

The notes on pages 192 and 204 form an integral part of these financial statements.

## Balance Sheet

| As at 31 July 2023                             |      |                   |                   |
|--|------|-------------------|-------------------|
|  | Note | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
| <b>Assets</b>                                  |      |                   |                   |
| Fixed Assets:                                  |      |                   |                   |
| Investments                                    |      | 6,692             | 6,891             |
| Current assets:                                |      |                   |                   |
| Debtors  | 8    | 41                | 159               |
| Cash and bank balances                         | 9    | 843               | 1,009             |
| Total assets                                   |      | 7,576             | 8,059             |
| <b>Liabilities</b>                             |      |                   |                   |
| Investment liabilities                         |      | (308)             | (217)             |
| Creditors:                                     |      |                   |                   |
| Other creditors                                | 10   | (47)              | (72)              |
| Total liabilities                              |      | (355)             | (289)             |
| <b>Net assets attributable to shareholders</b> |      | <b>7,221</b>      | <b>7,770</b>      |

The notes on pages 192 to 204 form an integral part of these financial statements.

## Notes to the Financial Statements

### 1. Significant Accounting Policies

The summary of applicable accounting policies adopted by the Jupiter UK Opportunities Fund are included on pages 234 to 236.

### 2. Net Capital Gains/(Losses)

The net gains/(losses) on investments during the year comprise:

|  | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--|-------------------|-------------------|
| Currency losses                                      | (2)               | (1)               |
| Gains/(losses) on non-derivative securities          | 279               | (500)             |
| (Losses)/gains on derivative contracts (see Note 13) | (40)              | 149               |
| <b>Net capital gains/(losses)</b>                    | <b>237</b>        | <b>(352)</b>      |

### 3. Revenue

|  | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--|-------------------|-------------------|
| UK dividends                                 | 76                | 102               |
| Overseas dividends                           | 39                | 11                |
| Bank interest                                | 11                | 4                 |
| Interest on debt securities                  | 107               | 12                |
| Revenue received on Contracts for Difference | 279               | 122               |
| <b>Total revenue</b>                         | <b>512</b>        | <b>251</b>        |

### 4. Expenses

|  | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--|-------------------|-------------------|
| <b>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</b> |                   |                   |
| Fixed Annual Charge*   | 89                | 8                 |
| Fixed Ongoing Charge   | –                 | 110               |
| <b>Total expenses</b>  | <b>89</b>         | <b>118</b>        |

\*This figure represent the Fixed Annual Charge, which covers all fees payable by the sub-fund to the Authorised Corporate Director, Investment adviser, Depositary (including associates etc.) and other expenses.

The audit fee for the year, excluding VAT, was £13,250 (31.07.22: £7,450).

## Notes to the Financial Statements *(continued)*

### 5. Interest Payable and Similar Charges

|   | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|---|-------------------|-------------------|
| Dividends payable on Contract for differences     | 306               | 218               |
| Interest on bank overdrafts                       | 4                 | 2                 |
| <b>Total Interest payable and similar charges</b> | <b>310</b>        | <b>220</b>        |

### 6. Taxation

#### (a) Analysis of charge in the year:

|                                      | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--------------------------------------|-------------------|-------------------|
| <b>Total tax charge for the year</b> | <b>-</b>          | <b>-</b>          |

#### (b) Factors affecting total tax charge for the year:

The tax assessed for the year is lower (2022: higher) than the standard rate of Corporation Tax in the UK for an open-ended investment company. The differences are explained below:

|  | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--|-------------------|-------------------|
| Net revenue/(expense) before taxation  | 113               | (87)              |
| Corporation tax of 20% (2022: 20%)     | 23                | (17)              |
| <b>Effects of:</b>                     |                   |                   |
| Current year expenses not utilised     | 1                 | 38                |
| Revenue not subject to taxation        | (15)              | (20)              |
| Non-taxable overseas dividends         | (9)               | (1)               |
| <b>Current tax charge for the year</b> | <b>-</b>          | <b>-</b>          |

OEICs are exempt from tax on capital gains, therefore any capital return is not included in the above reconciliation.

#### (c) Provision for Deferred Tax

At 31 July 2023, there are surplus management expenses of £5,007,358 (31.07.22: £5,005,322). It is unlikely the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore a Deferred Tax asset of £1,001,472 (31.07.22: £1,001,064) has not been recognised.

## Notes to the Financial Statements *(continued)*

### 7. Distributions

The distributions take account of amounts received on the issue of shares and deducted on the cancellation of shares and comprise:

|   | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|---|-------------------|-------------------|
| Final distribution  | 123               | –                 |
|   | 123               | –                 |
| Amounts (received)/paid on issue of shares                            | (4)               | 1                 |
| Amounts paid/received on cancellation of shares                       | 8                 | (6)               |
| <b>Net distributions for the year</b>                                 | <b>127</b>        | <b>(5)</b>        |
| <b>Reconciliation of net revenue after taxation to distributions:</b> |                   |                   |
| Net revenue/(expense) after taxation                                  | 113               | (87)              |
| Equalisation on conversions   | 14                | –                 |
| Transfer from capital for revenue deficit*                            | –                 | 82                |
| <b>Net distributions for the year</b>                                 | <b>127</b>        | <b>(5)</b>        |

\*For the year ended 31 July 2022, no distributions were made for all share classes due to an excess of expenses over revenue. The deficit has been covered by a transfer from the capital of the sub-fund.

Details of the distributions in pence per share are shown in the Distribution Table on page 205.

### 8. Debtors

|  | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--|-------------------|-------------------|
| Accrued revenue                            | 12                | 8                 |
| Amounts receivable for issue of shares     | 15                | 1                 |
| Overseas tax recoverable                   | 2                 | 2                 |
| Amounts receivable on derivative contracts | 12                | 5                 |
| Sales awaiting settlement                  | –                 | 143               |
| <b>Total debtors</b>                       | <b>41</b>         | <b>159</b>        |

### 9. Cash and Bank Balances

|                                     | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|-------------------------------------|-------------------|-------------------|
| Cash and bank balances              | 843               | 1,009             |
| <b>Total cash and bank balances</b> | <b>843</b>        | <b>1,009</b>      |

## Notes to the Financial Statements *(continued)*

### 10. Other Creditors

|  | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--|-------------------|-------------------|
| Accrued expenses                           | 1                 | 2                 |
| Amounts payable for cancellation of shares | 24                | 21                |
| Amounts payable on derivative contracts    | 22                | 19                |
| Purchases awaiting settlement              | –                 | 30                |
| <b>Total other creditors</b>               | <b>47</b>         | <b>72</b>         |

### 11. Contingent Assets, Liabilities and Capital Commitments

The sub-fund had no contingent assets, liabilities or capital commitments at the balance sheet date (31.07.22: £nil).

### 12. Related Party Transactions

Jupiter Fund Managers Limited (prior to 14 November 2022) and Jupiter Unit Trust Managers Limited thereafter, as ACD, is a related party, and acts as principal in respect of all transactions of shares in each sub-fund. The aggregate monies received on issue and paid on cancellation are disclosed in the Statement of change in net assets attributable to shareholders on page 190. Any amounts due to or from the ACD at the end of the accounting year in respect of transactions of shares in each sub-fund are disclosed in Notes 8 (Debtors) and 10 (Other Creditors).

Amounts receivable/(payable) from the ACD in respect of issues/cancellations are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. At the year end, a net balance of £9,194 was payable to the ACD (31.07.22: £20,422 payable to the ACD). These amounts are included in amounts receivable for issue of shares in Note 8 and amounts payable for cancellation of shares in Note 10.

Amounts paid to the ACD in respect of fund management are disclosed in Note 4 (Expenses). At the year end, £1,395 (31.07.22: £2,064) was payable to the ACD. This amount is included as part of accrued expenses in Note 10.

### 13. Financial Instruments

#### Financial Instrument Risk

The sub-fund, in pursuing its objective, holds a number of financial instruments, which may comprise of the following:

Bonds and derivatives.

Equity shares and equity related shares.

The sub-fund will also hold cash and other short term debtors and creditors that arise directly from its operations.

In addition, the sub-fund may hold derivatives for investment purposes and the purpose of efficient portfolio management in accordance with the COLL Sourcebook.

The financial instruments are held in line with the sub-fund's investment policy.

The Investment Adviser is responsible for monitoring the portfolio of the sub-fund in accordance with its investment objective and seeks to ensure that individual assets also meet a risk reward profile that is acceptable. The ACD has appointed specialist managers to manage the sub-fund, and continuously monitors this appointment.

## Notes to the Financial Statements *(continued)*

### 13. Financial Instruments *(continued)*

Adherence to the investment guidelines and the investment and borrowing powers as set out in the Prospectus and in the rules of the Regulations also mitigates the risk of excessive exposure to any particular type of security or issuer. Further information on the investment portfolio is set out in the Investment Adviser's review and the Portfolio statement of each sub-fund.

The main risks arising from financial instruments are market price, foreign currency, interest rate, liquidity, credit and counterparty risk which are summarised below.

#### Market Risk

Market risk arises from uncertainty about future prices of financial instruments held. The main source of risk to the sub-fund is the potential movement in the value of financial instruments held as a result of price fluctuations. Stock market prices can move erratically and be unpredictably affected by diverse factors including political and economic events but also rumours and sentiment. The ACD adheres to the investment guidelines and borrowing powers set out within the Prospectus and the COLL Sourcebook. In this way the ACD monitors and controls the exposure to risk from any type of security, sector or issuer. The sub-fund may also use derivative instruments to mitigate this risk and reduce cost.

#### Market Price Risk Sensitivity

A five percent market movement in the price of investments held by the sub-fund, with all other variables remaining constant, would result in an increase or decrease on net asset value of the sub-fund by approximately £319,198 or 4.42% of NAV (31.07.22: £333,680 or 4.29% of NAV).

#### Foreign Currency Risk

A proportion of the sub-fund's financial assets and liabilities are invested overseas. As a result, movements in exchange rates may affect the market price of investments and, due to timing differences between the transaction dates of investment sales, purchases and income, and actual cash settlement, create currency exchange gains/losses. The Investment Adviser does seek to reduce some of this risk by using forward currency contracts.

The direct foreign currency exposure of the sub-fund as at 31 July were as follows:

| Currency     | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--------------|-------------------|-------------------|
| Euro         | 6                 | –                 |
| US Dollar    | 7                 | –                 |
| <b>Total</b> | <b>13</b>         | <b>–</b>          |

#### Foreign Currency Risk Sensitivity

A five percent increase in the value of the sub-fund's foreign currency exposure would have the effect of increasing the return and net assets as at 31 July 2023 by £656 or 0.01% of NAV (31.07.2022: £nil or 0.00% of NAV). A five percent decrease would have an equal and opposite effect.



## Notes to the Financial Statements *(continued)*

### 13. Financial Instruments *(continued)*

#### Interest Rate Risk

Interest rate risk is the risk of movements in the value of financial instruments as a result of fluctuations in interest rates. The interest rate risk profile of the sub-fund's financial assets and liabilities at the year end were as follows:

| Currency        | Floating Rate<br>financial assets<br>£'000 | Fixed Rate<br>financial assets<br>£'000 | Financial assets<br>not carrying interest<br>£'000 | Total<br>£'000 |
|-----------------|--|---|--|----------------|
| <b>31.07.23</b> |  |   |  |                |
| Euro            | 6  | –                                       | –  | 6              |
| US Dollar       | 7  | –                                       | –  | 7              |
| Sterling        | 830  | 3,161                                   | 3,572  | 7,563          |
| <b>Total</b>    | <b>843</b>                                 | <b>3,161</b>                            | <b>3,572</b>                                       | <b>7,576</b>   |

|                 |              |              |              |              |
|-----------------|--------------|--------------|--------------|--------------|
| <b>31.07.22</b> |              |              |              |              |
| Sterling        | 1,009        | 3,982        | 3,068        | 8,059        |
| <b>Total</b>    | <b>1,009</b> | <b>3,982</b> | <b>3,068</b> | <b>8,059</b> |

| Currency        | Floating Rate<br>financial liabilities<br>£'000 | Fixed Rate<br>financial liabilities<br>£'000 | Financial liabilities<br>not carrying interest<br>£'000 | Total<br>£'000 |
|-----------------|---|--|---|----------------|
| <b>31.07.23</b> |   |  |   |                |
| Sterling        | –   | –  | 355   | 355            |
| <b>Total</b>    | <b>–</b>  | <b>–</b>                                     | <b>355</b>  | <b>355</b>     |
| <b>31.07.22</b> |   |  |   |                |
| Sterling        | –   | –  | 289   | 289            |
| <b>Total</b>    | <b>–</b>  | <b>–</b>                                     | <b>289</b>  | <b>289</b>     |

The floating rate financial assets and liabilities include bank balances and overdrafts that bear interest. Interest rates on Sterling and overseas bank balances as supplied by the custodian may vary in line with market conditions and the size of deposit. Overdraft interest is calculated at the current Bank of England base rate plus 1.00%.

#### Liquidity Risk

The sub-fund's assets comprise mainly of readily realisable securities which can be sold promptly to meet liquidity requirements. The main source of this risk comes from the obligation to shareholders to meet any cancellation of shares.

Assets from the sub-fund may need to be sold to meet any redemption proceeds. As part of its operating duties the ACD regularly monitors the liquidity levels held on the sub-fund (cash and underlying securities) to ensure any redemption can be readily met. Some investments may be less liquid than other securities and can be more sensitive to economic factors. The rules of the Regulations mitigate the risk of excessive exposure to assets which are not readily realisable.

## Notes to the Financial Statements *(continued)*

### 13. Financial Instruments *(continued)*

#### Credit Risk

Credit risk is the risk of suffering loss due to another party not meeting its financial obligation. The risk is managed by the Investment Adviser who monitors the credit profile of financial instruments in accordance with the objective and policy of the sub-fund.

Adherence to the investment guidelines and the investment and borrowing powers as set out in the Prospectus and in the rules of the Regulations also mitigates the risk of excessive exposure to any particular type of security or issuer. Further information on the investment portfolio is set out in the Investment Adviser's review and the Portfolio statement.

| As at 31.07.23         |                       |                       |
|------------------------|-----------------------|-----------------------|
| Portfolio split        | Market value<br>£'000 | Total net assets<br>% |
| Investment grade       | 3,161                 | 43.77                 |
| Below investment grade | –                     | –                     |
| Unrated                | –                     | –                     |
|                        | <u>3,161</u>          | <u>43.77</u>          |

| As at 31.07.22         |                       |                       |
|------------------------|-----------------------|-----------------------|
| Portfolio split        | Market value<br>£'000 | Total net assets<br>% |
| Investment grade       | 3,982                 | 51.25                 |
| Below investment grade | –                     | –                     |
| Unrated                | –                     | –                     |
|                        | <u>3,982</u>          | <u>51.25</u>          |

#### Counterparty Risk

Certain transactions in financial instruments that a sub-fund enters into have the risk that the counterparty will not meet its financial obligations, i.e. the investment (purchase) or cash (sale) after the sub-fund has fulfilled its responsibilities.

The sub-fund will only buy and sell investments through brokers which have been approved by the ACD and Investment Adviser as an acceptable counterparty. This is overseen by the Depositary to ensure that the exposure to any counterparty remains appropriate for investors.

## Notes to the Financial Statements *(continued)*

### 13. Financial Instruments *(continued)*

#### Use of Derivatives

The Investment Adviser made use of the following derivatives during the year under review:

#### Contracts for Difference

The ACD entered into Contracts for Difference during the year with the aim of gaining short term exposure to a company's stock at a lower cost than directly holding the shares. This allows the ACD to gain exposure to share price movements (whether up or down) without the need for ownership of the underlying shares. This resulted in realised and unrealised losses of £39,584 to the sub-fund during the year (31.07.22: realised and unrealised gains of £148,841). A net amount of £26,933 (31.07.22: £95,989) equivalent to the dividends paid by the underlying holdings, has been paid during the year and has been recognised as expense. All contracts were undertaken with Citigroup as counterparties during the year.

The total exposure for Contracts for Difference outstanding at the year end by counterparty are as follows:

| Counterparty | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--------------|-------------------|-------------------|
| Citigroup    | 138               | 76                |
|              | <b>138</b>        | <b>76</b>         |

In order to reduce this risk, collateral may be held by the sub-fund. The counterparties to these transactions and any collateral held by the sub-fund at the balance sheet date are £nil (31.07.22: £nil)

#### Sensitivity Analysis

The Gross Sum of Notionals (GSON) leverage figures are prepared with no hedging or netting of any asset class. Across the range of asset classes exposures are treated differently. For instance, currency forwards are treated by valuing both legs of the underlying and expressing them as a percentage of the NAV. Physical assets are excluded to get the incremental exposure resulting from derivatives. The sub-fund is limited to 200% gross leverage (2022: 200%), and this limit has not been exceeded over the year. Using the "gross sum of notionals" methodology, the average leverage for the year ended 31 July 2023 was 102.90% (31.07.22: 87.31%).

The Investment Adviser assesses the market risk of the Jupiter UK Opportunities Fund, including any derivative exposures, using an Absolute Value at Risk ("VaR") methodology. VaR is a process that provides the Investment Adviser with an estimate of the maximum potential loss that could be expected to occur as a result of changes in market prices over a given period of time in all but a given percentage of circumstances. As the sub-fund adopts an absolute VaR Model to measure the global market risk, the daily VaR limit for the sub-fund cannot be greater than 20 percent of the Net Asset Value of the sub-fund. The VaR is calculated using a one-tailed 99 percent confidence level, a one month holding period and the historical period of one year (250 Business Days). Derivatives are used to efficiently manage the tactical asset allocation positioning of the sub-fund, Jupiter UK Opportunities Fund. The sub-fund uses absolute methodology to measure Value at Risk (VaR). The VaR for the fund at 31 July 2023 was 1.75% (31.07.22: 1.44%).

|         | 31.07.23 | 31.07.22 |
|---------|----------|----------|
| Maximum | 1.84%    | 3.55%    |
| Minimum | 1.33%    | 1.32%    |
| Average | 1.60%    | 2.24%    |

## Notes to the Financial Statements *(continued)*

### 13. Financial Instruments *(continued)*

#### What is VaR?

It estimates the worst potential loss in the portfolio within a certain time period and with a certain amount of confidence, using the following criteria:

- Internal Guidelines: 20% absolute VaR (99% confidence) over 20 day timeframe measured each day
- Holding period: 1 month (20 days)
- Observation period: minimum 1 year (250 days)
- 99% confidence implies a breach of 1 out of every 100 twenty day periods

#### If VaR approaches its limit the ACD may:

- Diversify the portfolio
- Reduce the gross exposure
- Hedge part of the portfolio
- Reduce exposure to positions with high marginal VaR contribution

### 14. Fair Value of Financial Assets and Liabilities

There is no material difference between the carrying value of the financial assets and liabilities, as shown in the Balance sheet, and their fair value.

#### The fair value of investments has been determined using the following hierarchy:

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Level 3: Valuation techniques using unobservable inputs.

| Basis of valuation | Assets<br>£'000 | Liabilities<br>£'000 |
|--------------------|-----------------|----------------------|
| <b>31.07.23</b>    |                 |                      |
| Level 1            | 6,554           | –                    |
| Level 2            | 138             | (308)                |
| Level 3            | –               | –                    |
| <b>Total</b>       | <b>6,692</b>    | <b>(308)</b>         |

| Basis of valuation | Assets<br>£  | Liabilities<br>£ |
|--------------------|--------------|------------------|
| <b>31.07.22</b>    |              |                  |
| Level 1            | 6,815        | –                |
| Level 2            | 76           | (217)            |
| Level 3            | –            | –                |
| <b>Total</b>       | <b>6,891</b> | <b>(217)</b>     |

## Notes to the Financial Statements *(continued)*

### 14. Fair Value of Financial Assets and Liabilities *(continued)*

The majority of financial instruments are classified as level 1: Quoted Prices. Instruments classified as level 2: Observable data mainly comprise derivative holdings.

Generally for the non-market traded and unquoted securities, where there is no price source from an active market for an investment, the ACD has applied judgement in determining the fair value. The ACD has used several valuation methodologies as prescribed in the International Private Equity and Venture Capital valuation guidelines to arrive at their best estimate of fair value. Valuation techniques used by the ACD are set out in Significant Accounting Policies (j). The fair value is established by using measures of value such as:

- **Price of recent transactions** — Management determine the fair value based on the price of recent transactions made by management or a third party.
- **Milestone analysis** — Management assess the investment company's progress against milestones expected at the time of investment in order to determine whether an adjustment is required to the transaction price to determine fair value.
- **Multiples** — Earnings or Revenue multiples are selected from comparable public companies based on geographic location, industry, size, risk profile, earnings growth prospects, target markets and other factors that management consider reasonable. A discount for lack of liquidity may then be applied to represent the adjustment to comparable company multiples to reflect the illiquidity of the portfolio companies relative to the comparable peer group. Management determines the discount for lack of liquidity based on its judgement, after considering market liquidity conditions and company specific factors such as the development stage of the portfolio company. Among the most common forms of multiples used for cash generating companies are EV/EBITDA and EV/Revenue multiples, generally seen to represent a good proxy for free cash flow and company performance. These are applied where appropriate based on the development of underlying portfolio companies but other inputs such as comparable company share price movements may also be considered.
- **Net assets** — Management determine the fair value based on the net asset value of the underlying portfolio company. In applying the above valuation techniques in arriving at the fair value the ACD has assessed any further information available from internal and external sources to arrive at an estimated fair value, which includes but is not limited to the following:
  - Reference to listed securities of the same company.
  - Consideration of seniority of the securities held and terms of repayment upon realisation.
  - Consideration of any trading restrictions on the investment company's shares that would limit ACD's ability to realise its holding.
  - Consideration of any outstanding payments to be made by ACD.
  - Industry statistics or events (such as mergers and acquisitions).

## Notes to the Financial Statements *(continued)*

### 15. Portfolio Transaction Costs

For the year ended 31 July 2023

|  | Equities<br>£'000 | %    | Bonds<br>£'000 | % | Total<br>£'000 |
|--|-------------------|------|----------------|---|----------------|
| <b>31.07.23</b>                            |                   |      |                |   |                |
| <b>Analysis of total purchases costs</b>   |                   |      |                |   |                |
| Purchases in year before transaction costs | 394               |      | 10,369         |   | 10,763         |
| Commissions                                | –                 | –    | –              | – | –              |
| Expenses and other charges                 | 2                 | 0.51 | –              | – | 2              |
|  | 2                 |      | –              |   | 2              |
| Purchases including transaction costs      | 396               |      | 10,369         |   | 10,765         |
| <b>Analysis of total sales costs</b>       |                   |      |                |   |                |
| Sales in year before transaction costs     | 112               |      | 11,300         |   | 11,412         |
| Commissions                                | –                 | –    | –              | – | –              |
| Expenses and other charges                 | –                 | –    | –              | – | –              |
|  | –                 |      | –              |   | –              |
| Sales net of transaction costs             | 112               |      | 11,300         |   | 11,412         |

Commissions, taxes and expenses and other charges as % of average net assets:

|                            |       |
|----------------------------|-------|
| Commissions                | 0.00% |
| Expenses and other charges | 0.03% |

The average portfolio dealing spread as at the balance sheet date was 0.04%.

## Notes to the Financial Statements *(continued)*

### 15. Portfolio Transaction Costs *(continued)*

For the year ended 31 July 2022

|  | Equities<br>£'000 | %    | Bonds<br>£'000 | % | Corporate<br>Actions<br>£'000 | % | Total<br>£'000 |
|--|-------------------|------|----------------|---|-------------------------------|---|----------------|
| <b>31.07.22</b>                            |                   |      |                |   |                               |   |                |
| <b>Analysis of total purchases costs</b>   |                   |      |                |   |                               |   |                |
| Purchases in year before transaction costs | 655               |      | 10,975         |   | –                             |   | 11,630         |
| Commissions                                | –                 | 0.04 | –              | – | –                             | – | –              |
| Expenses and other charges                 | 3                 | 0.41 | –              | – | –                             | – | 3              |
|  | 3                 |      | –              |   | –                             |   | 3              |
| Purchases including transaction costs      | 658               |      | 10,975         |   | –                             |   | 11,633         |
| <b>Analysis of total sales costs</b>       |                   |      |                |   |                               |   |                |
| Sales in year before transaction costs     | 1,486             |      | 12,000         |   | 2                             |   | 13,488         |
| Commissions                                | (1)               | 0.04 | –              | – | –                             | – | (1)            |
| Expenses and other charges                 | –                 | –    | –              | – | –                             | – | –              |
|  | (1)               |      | –              |   | –                             |   | –              |
| Sales net of transaction costs             | 1,485             |      | 12,000         |   | 2                             |   | 13,487         |

Commissions, taxes and expenses and other charges as % of average net assets:

|                            |       |
|----------------------------|-------|
| Commissions                | 0.01% |
| Expenses and other charges | 0.03% |

The average portfolio dealing spread as at the balance sheet date was 0.03%.

## Notes to the Financial Statements *(continued)*

### 16. Shareholders' Funds

The net asset value of each share class, net asset value per share and the number of shares in issue are given in the comparative tables for each sub-fund.

The share classes currently in issue and the Fixed Annual Charge of each share class are shown below.

| Share Class           | 31.07.23 | 31.07.22 |
|-----------------------|----------|----------|
| L (GBP) Accumulation  | 1.65%    | 1.65%    |
| I (GBP) Accumulation  | 0.90%    | 0.90%    |
| U1 (GBP) Accumulation | 0.825%   | 0.825%   |

| Reconciliation of Shares                  | L (GBP)<br>Accumulation | I (GBP)<br>Accumulation | U1 (GBP)<br>Accumulation |
|---|-------------------------|-------------------------|--------------------------|
| Opening number of shares at 1 August 2022 | 4,997,320               | 1,234,595               | 1,464,696                |
| Shares issued in year                     | 19,024                  | 281,219                 | 80,202                   |
| Shares cancelled in year                  | (207,769)               | (556,584)               | (528,046)                |
| Shares converted in year                  | (3,732,062)             | 3,441,720               | (164)                    |
| Closing number of shares at 31 July 2023  | 1,076,513               | 4,400,950               | 1,016,688                |



## Distribution Table

For the year ended 31 July 2023

### FINAL

Group 1: Shares purchased prior to 1 August 2022

Group 2: Shares purchased on or after 1 August 2022 to 31 July 2023

|                             | Revenue         | Equalisation    | Distribution accumulated<br>29.09.23 | Distribution accumulated<br>30.09.22 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| L (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 1.5771          | –               | 1.5771                               | –                                    |
| Group 2                     | 1.3794          | 0.1977          | 1.5771                               | –                                    |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>29.09.23 | Distribution accumulated<br>30.09.22 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| I (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 2.0206          | –               | 2.0206                               | –                                    |
| Group 2                     | 0.9411          | 1.0795          | 2.0206                               | –                                    |

|                              | Revenue         | Equalisation    | Distribution accumulated<br>29.09.23 | Distribution accumulated<br>30.09.22 |
|------------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| U1 (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                      | 1.6677          | –               | 1.6677                               | –                                    |
| Group 2                      | 0.5189          | 1.1488          | 1.6677                               | –                                    |

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of revenue included in the purchase price of all Group 2 shares and is refunded to holders of these shares as a return of capital. Being capital, it is not liable to Income Tax but must be deducted from the cost of shares for Capital Gains Tax purposes.

## Jupiter UK Smaller Companies Fund

### Cumulative Performance (% change to 31 July 2023)

|   | 1 year | 3 years | 5 years | 10 years |
|---|--------|---------|---------|----------|
| Jupiter UK Smaller Companies Fund*                                | (16.5) | (7.6)   | (18.3)  | 75.6     |
| Numis Smaller Companies Index Ex Investment Companies (Benchmark) | 2.7    | 33.5    | 8.3     | 73.5     |
| IA UK Smaller Companies (Sector Average)                          | (8.7)  | 10.8    | (1.9)   | 87.8     |
| Quartile Ranking  | 4th    | 4th     | 4th     | 4th      |

\*Source: Morningstar, gross income reinvested net of fees, in GBP. The statistics disclosed above relate to I-Class Shares unless otherwise stated. Past performance is no guide to the future.

### Investment Objective and Policy

To achieve capital growth. In seeking to achieve its investment objective the sub-fund will aim to deliver a return, net of fees, greater than that of the Numis Smaller Companies Index excluding Investment Companies over rolling 3 year periods.

The sub-fund primarily invests in a portfolio of UK smaller companies.

UK companies are those that are domiciled or incorporated in the UK, or that conduct a significant part of their business in the UK. Smaller companies are defined for this purpose as those companies which are quoted on a regulated market and which have market capitalisations no greater than the largest company in the Numis Smaller Companies Index at the time of the initial investment. Typically, at least 80% of the portfolio will be invested in smaller companies.

The sub-fund may also invest in other transferable securities, shares in collective investment schemes (including those managed or operated by the ACD or an associate of the ACD), warrants, money market instruments, deposits and derivatives, and may hold cash.

The sub-fund may use derivatives for Efficient Portfolio Management purposes. The ACD considers that the use of derivatives for this purpose is not likely to affect the volatility or risk profile of the sub-fund. The sub-fund may use derivatives for purposes other than Efficient Portfolio Management, provided it has given shareholders 60 days' notice of such change. If the sub-fund did use derivatives for investment purposes, it may therefore at times increase the volatility of the sub-fund's NAV and change the risk profile of the sub-fund.

### Market Review

UK smaller companies indices remained volatile over the course of the review period but, in aggregate, rose modestly. At the start of the period, the Liz Truss/Kwasi Kwarteng mini budget led to a disorderly rise in UK interest rates, requiring intervention from the Bank of England. The replacement of Truss/Kwarteng by Jeremy Hunt/Rishi Sunak, who are seen to be more fiscally conservative, consolidated the sense of relative calm in UK debt markets, and this was complemented by a rally in UK equities over the latter months of 2022 as risk appetite began to improve.

The mood darkened in March 2023 following the collapse of Silicon Valley Bank in the United States. US regulators quickly took steps to stabilise the financial system. The situation swiftly deteriorated and spread to Europe when Credit Suisse also experienced a deposit run and share price collapse. The Swiss authorities hastily arranged a takeover by Union Bank of Switzerland. This led to a sharp decline in financial stocks. Cyclical sectors also fell on the implications for economic growth if banks were forced to curtail lending.

Economic data and surveys suggested that activity in the US, Europe and the UK was slowing, with Europe entering a technical recession (two quarters of negative growth). In addition, China's recovery following the relaxation of COVID-19 restrictions appeared to be slower than market expectations.

## Market Review *(continued)*

Inflation data was mixed. Headline rates declined due to the fall in energy and commodity prices and the easing of supply chain pressures in the manufactured goods sector. However, core inflation – which excludes energy and food prices and is closely monitored by central banks – remained elevated, driven higher by rising wages feeding into the price of services. While core inflation rates fell in the US, Europe, and the UK, they remained at high levels, particularly so for the UK. The Bank of England raised interest rates eight consecutive times between August and July to 5.0% by the end of the review period. The tone of the statements accompanying the rate increases suggested more tightening to come. More positively, there were tentative signs that the pressure in labour markets was easing, notably in the US.

## Policy Review

Over the period, the fund underperformed its reference index, returning -16.5% while the Numis Smaller Companies Index ex IT returned 2.7%. Both sector allocation and (more materially so) stock selection detracted from the sub-fund's relative performance. At a sector level, an overweight position to Telecoms Equipment, Telecoms Services and an underweight to Autos were particular detractors.

At a stock level, strong relative performers across the period included homeware retailer Dunelm, which delivered serial upgrades and which continues to take market share; Alpha Group, a foreign exchange broker and SME treasury services business which reported robust trading; engineering specialist Vesuvius, which delivered forecast upgrades and which remains modestly valued in our view, and software, security and cloud service specialist Bytes, which also delivered consistently strong results.

These positive effects were more than outweighed by the impact of poor performance from Starling Bank, (where the position in this unlisted business was sold), and student accommodation developer Watkin Jones, whose business model was significantly disrupted by the chaos of the Truss/Kwarteng budget. Not holding Aston Martin and Carnival, both of which performed strongly, also detracted from relative performance.

In terms of activity, new holdings during the period included subsea equipment rental business for the global offshore energy and wind sectors, Ashtead Technology Group (an opportunistic purchase as part of a sell-down by a pre-initial public offering (IPO) holder), Great Portland Estates (in order to reduce the degree of the fund's underweight to the real estate sector), Senior Engineering (which should benefit from recovering civil aircraft build rates) and defensive food producers Premier Foods and Hilton Foods. Positions exited over the period included the fund's last significant unlisted position Starling Bank, Hyve Group (which was sold after a bid from a private equity buyer), and Serco. The position size of the fund's holding in Chrysalis was also significantly reduced.

## Investment Outlook

Although headline rates of inflation across the developed world are falling, core rates are proving stickier, and markets are pricing-in higher terminal rates. In the UK, given, in particular, shocks to labour supply emanating from the pandemic (as 50-somethings have left the workforce) and the end of free movement post Brexit, fears of second-round effects are difficult to dismiss, while, given that only one-third of UK households now have a mortgage, the transmission-mechanism of monetary policy into the real economy is less direct than might have been the case historically.

This raises the fear that the Bank of England could over-tighten, given the time-lag between rate rises and their impact on the economy, causing an abrupt and disorderly economic contraction.

Again, in the UK, the economic backdrop is further complicated by the strength of employment itself (with unemployment still close to all-time lows), as well as wealth polarisation, with more affluent households still benefitting from excess pandemic-era savings and able to continue to consume more freely, while poorer demographics contend with a cost-of-living crisis.

The combination of these dynamics still ultimately suggests to us a central case of a relatively short-lived and shallow developed world recession, although the range of possible outcomes would seem to be wider than usual.

## **Investment Outlook** *(continued)*

Given the above and given the ongoing lack of clear thematic leadership within the UK Small Cap space, we continue consciously to position the portfolio such that it is broadly balanced between growth and value themes. We remain of the view that, given the UK Small Cap opportunity set, there remains a place for unique, less economically sensitive businesses that we judge can deliver above average rates of earnings growth at valuations that we can rationalise, as well as for more economically sensitive businesses that we believe can rerate in the medium term as fears over a deep and protracted recession are priced-out.

Within a broadly balanced sector and thematic framework, we aim to add value through good stock selection, against the backdrop of a Numis Smaller Companies Index, which in our view looks attractively valued, trading on a 12-month forward price/earnings multiple of c9.5x.

August 2023

## Risk and Reward Profile



The calculated risk and reward category, as shown above, uses a method of calculation derived from EU rules. It is based on the rate at which the returns of the sub-fund have moved up and down in the past (i.e. volatility) and is not a guide to the future risk and reward category of the sub-fund. The category shown is not a target or guarantee and may shift over time. Even the lowest category 1 does not mean a risk-free investment. The seven-category scale is nonlinear, for example, 2 is not twice as risky as 1.

Sub-funds in category 6 have in the past shown relatively high volatility. With a sub-fund of category 6, you have a relatively high risk of losing money but your chance for gains is also relatively high.

## Comparative Tables

| Change in net asset per share       |                 |                 |                 |                 |                 |                 |
|-------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|                                     | L (GBP) Income  |                 |                 | I (GBP) Income  |                 |                 |
|                                     | 31.07.23<br>(p) | 31.07.22<br>(p) | 31.07.21<br>(p) | 31.07.23<br>(p) | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share   | 497.17          | 663.77          | 464.79          | 255.01          | 341.08          | 237.28          |
| Return before operating charges*    | (73.75)         | (154.00)        | 210.01          | (37.90)         | (79.59)         | 107.46          |
| Operating charges                   | (8.38)          | (11.45)         | (11.03)         | (2.31)          | (3.18)          | (2.96)          |
| Return after operating charges*     | (82.13)         | (165.45)        | 198.98          | (40.21)         | (82.77)         | 104.50          |
| Distributions on income shares      | (4.44)          | (1.15)          | –               | (4.27)          | (3.30)          | (0.70)          |
| Closing net asset value per share   | 410.60          | 497.17          | 663.77          | 210.53          | 255.01          | 341.08          |
| *after direct transaction costs of: | 0.15            | 0.38            | 0.35            | 0.08            | 0.19            | 0.17            |
| Performance                         |                 |                 |                 |                 |                 |                 |
| Return after charges (%)            | (16.52)         | (24.93)         | 42.81           | (15.77)         | (24.27)         | 44.04           |
| Other Information                   |                 |                 |                 |                 |                 |                 |
| Closing net asset value (£'000)     | 1,977           | 12,438          | 18,644          | 38,710          | 52,108          | 79,595          |
| Closing number of shares            | 481,510         | 2,501,753       | 2,808,736       | 18,386,371      | 20,433,536      | 23,335,875      |
| Operating charges (%)               | 1.90            | 1.90            | 1.90            | 1.025           | 1.025           | 1.025           |
| Direct transaction costs (%)        | 0.03            | 0.06            | 0.06            | 0.03            | 0.06            | 0.06            |
| Prices                              |                 |                 |                 |                 |                 |                 |
| Highest share price (p)             | 503.04          | 716.86          | 669.70          | 258.08          | 368.73          | 344.60          |
| Lowest share price (p)              | 396.98          | 464.72          | 461.70          | 204.03          | 240.76          | 235.70          |

| Change in net asset per share       |                 |                 |                 |                 |                 |                 |
|-------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|                                     | P (GBP) Income  |                 |                 | U1 (GBP) Income |                 |                 |
|                                     | 31.07.23<br>(p) | 31.07.22<br>(p) | 31.07.21<br>(p) | 31.07.23<br>(p) | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share   | 228.89          | 305.90          | 213.13          | 175.87          | 235.26          | 163.64          |
| Return before operating charges*    | (34.00)         | (71.20)         | 96.52           | (26.13)         | (54.91)         | 74.27           |
| Operating charges                   | (2.83)          | (3.89)          | (3.75)          | (1.47)          | (2.01)          | (1.97)          |
| Return after operating charges*     | (36.83)         | (75.09)         | 92.77           | (27.60)         | (56.92)         | 72.30           |
| Distributions on income shares      | (3.07)          | (1.92)          | –               | (3.09)          | (2.47)          | (0.68)          |
| Closing net asset value per share   | 188.99          | 228.89          | 305.90          | 145.18          | 175.87          | 235.26          |
| *after direct transaction costs of: | 0.07            | 0.17            | 0.16            | 0.05            | 0.13            | 0.13            |
| Performance                         |                 |                 |                 |                 |                 |                 |
| Return after charges (%)            | (16.09)         | (24.55)         | 43.53           | (15.69)         | (24.19)         | 44.18           |
| Other Information                   |                 |                 |                 |                 |                 |                 |
| Closing net asset value (£'000)     | 5,016           | 7,706           | 11,152          | 50,122          | 139,377         | 218,222         |
| Closing number of shares            | 2,654,049       | 3,366,718       | 3,645,594       | 34,523,393      | 79,249,255      | 92,755,936      |
| Operating charges (%)               | 1.40            | 1.40            | 1.40            | 0.9375          | 0.9375          | 0.9375          |
| Direct transaction costs (%)        | 0.03            | 0.06            | 0.06            | 0.03            | 0.06            | 0.06            |
| Prices                              |                 |                 |                 |                 |                 |                 |
| Highest share price (p)             | 231.61          | 330.55          | 308.50          | 177.98          | 254.36          | 237.90          |
| Lowest share price (p)              | 182.97          | 215.16          | 211.70          | 140.73          | 166.20          | 162.60          |

## Comparative Tables *(continued)*

| Change in net asset per share       |                 |                 |                 |
|-------------------------------------|-----------------|-----------------|-----------------|
|                                     | U2 (GBP) Income |                 |                 |
|                                     | 31.07.23<br>(p) | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share   | 166.95          | 223.37          | 155.35          |
| Return before operating charges*    | (24.83)         | (52.16)         | 70.48           |
| Operating charges                   | (1.24)          | (1.74)          | (1.65)          |
| Return after operating charges*     | (26.07)         | (53.90)         | 68.83           |
| Distributions on income shares      | (3.06)          | (2.52)          | (0.81)          |
| Closing net asset value per share   | 137.82          | 166.95          | 223.37          |
| *after direct transaction costs of: | 0.05            | 0.13            | 0.12            |
| Performance                         |                 |                 |                 |
| Return after charges (%)            | (15.62)         | (24.13)         | 44.31           |
| Other Information                   |                 |                 |                 |
| Closing net asset value (£'000)     | 13,679          | 8,940           | 18,643          |
| Closing number of shares            | 9,925,821       | 5,354,764       | 8,346,098       |
| Operating charges (%)               | 0.85            | 0.85            | 0.85            |
| Direct transaction costs (%)        | 0.03            | 0.06            | 0.06            |
| Prices                              |                 |                 |                 |
| Highest share price (p)             | 168.96          | 241.52          | 226.00          |
| Lowest share price (p)              | 133.62          | 157.93          | 154.30          |

| Change in net asset per share                |                      |                 |                 |                      |                 |                 |
|--|----------------------|-----------------|-----------------|----------------------|-----------------|-----------------|
|  | L (GBP) Accumulation |                 |                 | I (GBP) Accumulation |                 |                 |
|  | 31.07.23<br>(p)      | 31.07.22<br>(p) | 31.07.21<br>(p) | 31.07.23<br>(p)      | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share            | 520.09               | 692.77          | 485.09          | 286.12               | 377.77          | 262.23          |
| Return before operating charges*             | (77.16)              | (160.76)        | 219.19          | (42.57)              | (88.10)         | 118.90          |
| Operating charges                            | (8.76)               | (11.92)         | (11.51)         | (2.59)               | (3.55)          | (3.36)          |
| Return after operating charges*              | (85.92)              | (172.68)        | 207.68          | (45.16)              | (91.65)         | 115.54          |
| Distribution on accumulation share           | (4.65)               | (1.20)          | –               | (4.80)               | (3.66)          | (0.78)          |
| Retained distributions on accumulation share | 4.65                 | 1.20            | –               | 4.80                 | 3.66            | 0.78            |
| Closing net asset value per share            | 434.17               | 520.09          | 692.77          | 240.96               | 286.12          | 377.77          |
| *after direct transaction costs of:          | 0.16                 | 0.39            | 0.36            | 0.09                 | 0.22            | 0.20            |
| Performance                                  |                      |                 |                 |                      |                 |                 |
| Return after charges (%)                     | (16.52)              | (24.93)         | 42.81           | (15.78)              | (24.26)         | 44.06           |
| Other Information                            |                      |                 |                 |                      |                 |                 |
| Closing net asset value (£'000)              | 45,587               | 149,692         | 216,870         | 231,257              | 262,331         | 459,944         |
| Closing number of shares                     | 10,499,587           | 28,782,149      | 31,304,768      | 95,973,131           | 91,684,726      | 121,750,955     |
| Operating charges (%)                        | 1.90                 | 1.90            | 1.90            | 1.025                | 1.025           | 1.025           |
| Direct transaction costs (%)                 | 0.03                 | 0.06            | 0.06            | 0.03                 | 0.06            | 0.06            |
| Prices                                       |                      |                 |                 |                      |                 |                 |
| Highest share price (p)                      | 526.17               | 748.17          | 698.90          | 289.46               | 408.39          | 380.90          |
| Lowest share price (p)                       | 415.28               | 485.02          | 481.90          | 228.47               | 266.66          | 260.50          |

## Comparative Tables *(continued)*

|  | P (GBP) Accumulation |                 |                 | U1 (GBP) Accumulation |                 |                 |
|--|----------------------|-----------------|-----------------|-----------------------|-----------------|-----------------|
|  | 31.07.23<br>(p)      | 31.07.22<br>(p) | 31.07.21<br>(p) | 31.07.23<br>(p)       | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share            | 398.06               | 527.57          | 367.58          | 180.78                | 238.48          | 165.40          |
| Return before operating charges*             | (59.17)              | (122.81)        | 166.44          | (26.90)               | (55.64)         | 75.04           |
| Operating charges                            | (4.92)               | (6.70)          | (6.45)          | (1.50)                | (2.06)          | (1.96)          |
| Return after operating charges*              | (64.09)              | (129.51)        | 159.99          | (28.40)               | (57.70)         | 73.08           |
| Distribution on accumulation share           | (5.33)               | (3.31)          | –               | (3.17)                | (2.50)          | (0.68)          |
| Retained distributions on accumulation share | 5.33                 | 3.31            | –               | 3.17                  | 2.50            | 0.68            |
| Closing net asset value per share            | 333.97               | 398.06          | 527.57          | 152.38                | 180.78          | 238.48          |
| *after direct transaction costs of:          | 0.12                 | 0.30            | 0.28            | 0.06                  | 0.14            | 0.12            |

| Performance              |         |         |       |         |         |       |
|--------------------------|---------|---------|-------|---------|---------|-------|
| Return after charges (%) | (16.10) | (24.55) | 43.53 | (15.71) | (24.19) | 44.18 |

| Other Information               |           |           |           |            |             |             |
|---------------------------------|-----------|-----------|-----------|------------|-------------|-------------|
| Closing net asset value (£'000) | 4,745     | 6,730     | 9,208     | 95,901     | 186,890     | 370,545     |
| Closing number of shares        | 1,420,883 | 1,690,689 | 1,745,370 | 62,933,121 | 103,380,174 | 155,374,854 |
| Operating charges (%)           | 1.40      | 1.40      | 1.40      | 0.9375     | 0.9375      | 0.9375      |
| Direct transaction costs (%)    | 0.03      | 0.06      | 0.06      | 0.03       | 0.06        | 0.06        |

| Prices                  |        |        |        |        |        |        |
|-------------------------|--------|--------|--------|--------|--------|--------|
| Highest share price (p) | 402.71 | 570.07 | 532.10 | 182.90 | 257.84 | 240.50 |
| Lowest share price (p)  | 318.17 | 371.08 | 365.20 | 144.64 | 168.47 | 164.30 |

|  | U2 (GBP) Accumulation |                 |                 |
|--|-----------------------|-----------------|-----------------|
|  | 31.07.23<br>(p)       | 31.07.22<br>(p) | 31.07.21<br>(p) |
| Opening net asset value per share            | 180.61                | 238.05          | 164.96          |
| Return before operating charges*             | (26.87)               | (55.58)         | 74.80           |
| Operating charges                            | (1.36)                | (1.86)          | (1.71)          |
| Return after operating charges*              | (28.23)               | (57.44)         | 73.09           |
| Distribution on accumulation share           | (3.31)                | (2.69)          | (0.86)          |
| Retained distributions on accumulation share | 3.31                  | 2.69            | 0.86            |
| Closing net asset value per share            | 152.38                | 180.61          | 238.05          |
| *after direct transaction costs of:          | 0.06                  | 0.14            | 0.12            |

| Performance              |         |         |       |
|--------------------------|---------|---------|-------|
| Return after charges (%) | (15.63) | (24.13) | 44.31 |

| Other Information               |           |           |           |
|---------------------------------|-----------|-----------|-----------|
| Closing net asset value (£'000) | 3,158     | 6,961     | 12,491    |
| Closing number of shares        | 2,072,806 | 3,853,948 | 5,247,254 |
| Operating charges (%)           | 0.85      | 0.85      | 0.85      |
| Direct transaction costs (%)    | 0.03      | 0.06      | 0.06      |

| Prices                  |        |        |        |
|-------------------------|--------|--------|--------|
| Highest share price (p) | 182.72 | 257.39 | 240.00 |
| Lowest share price (p)  | 144.53 | 168.31 | 163.90 |



## Portfolio Statement

As at 31 July 2023

| Holding    | Investment   | Market value<br>£ | Total net assets<br>% |
|------------|--|-------------------|-----------------------|
|            | <b>UNITED KINGDOM - 93.85% (95.00%)</b>                      |                   |                       |
|            | <b>Aerospace and Defense - 3.15% (2.64%)</b>                 |                   |                       |
| 5,461,725  | Chemring   | 15,456,682        | 3.15                  |
|            | <b>Automobiles and Parts - 0.00% (1.81%)</b>                 |                   |                       |
|            | <b>Banks - 0.00% (1.93%)</b>                                 |                   |                       |
|            | <b>Chemicals - 0.00% (1.51%)</b>                             |                   |                       |
|            | <b>Closed End Investments - 1.94% (2.01%)</b>                |                   |                       |
| 12,745,978 | Chrysalis Investments Limited <sup>†</sup>                   | 9,508,500         | 1.94                  |
|            | <b>Construction and Materials - 6.99% (5.18%)</b>            |                   |                       |
| 854,000    | Keller   | 7,310,240         | 1.49                  |
| 2,772,829  | Marshalls  | 7,447,819         | 1.52                  |
| 766,740    | Morgan Sindall   | 14,598,730        | 2.98                  |
| 6,938,576  | Severfield   | 4,898,635         | 1.00                  |
|            |  | 34,255,424        | 6.99                  |
|            | <b>Electronic and Electrical Equipment - 3.18% (2.61%)</b>   |                   |                       |
| 649,157    | Oxford Instruments   | 15,579,768        | 3.18                  |
|            | <b>Finance and Credit Services - 4.73% (5.23%)</b>           |                   |                       |
| 1,415,946  | Cab Payments   | 4,049,606         | 0.83                  |
| 656,827    | Mortgage Advice Bureau                                       | 4,098,600         | 0.84                  |
| 4,083,763  | OSB  | 14,995,578        | 3.06                  |
|            |  | 23,143,784        | 4.73                  |
|            | <b>Food Producers - 0.00% (0.12%)</b>                        |                   |                       |
|            | <b>Household Goods and Home Construction - 0.60% (2.81%)</b> |                   |                       |
| 6,168,053  | Watkin Jones   | 2,960,665         | 0.60                  |
|            | <b>Industrial Engineering - 3.08% (2.22%)</b>                |                   |                       |
| 3,421,424  | Vesuvius   | 15,115,851        | 3.08                  |
|            | <b>Industrial Support Services - 9.56% (12.61%)</b>          |                   |                       |
| 1,176,674  | Marlowe  | 6,518,774         | 1.33                  |
| 2,356,156  | Robert Walters   | 9,565,993         | 1.95                  |
| 1,612,422  | RWS  | 4,185,847         | 0.86                  |
| 3,435,349  | Senior   | 5,723,291         | 1.17                  |

## Portfolio Statement *(continued)*

As at 31 July 2023

| Holding   | Investment              | Market value<br>£ | Total net assets<br>% |
|---|-------------------------|-------------------|-----------------------|
| <b>Industrial Support Services (continued)</b>                    |                         |                   |                       |
| 2,286,898   | Smart Metering Systems  | 15,939,679        | 3.25                  |
| 13,248,670  | Speedy Hire             | 4,875,511         | 1.00                  |
|   |                         | 46,809,095        | 9.56                  |
| <b>Investment Banking and Brokerage Services - 12.51% (9.54%)</b> |                         |                   |                       |
| 901,067   | Alpha FX Group          | 20,093,794        | 4.10                  |
| 1,369,516   | Alpha Financial Markets | 5,286,332         | 1.08                  |
| 2,632,442   | Foresight               | 12,556,748        | 2.56                  |
| 2,578,659   | IntegraFin              | 6,317,714         | 1.29                  |
| 2,369,413   | JTC                     | 17,059,774        | 3.48                  |
|   |                         | 61,314,362        | 12.51                 |
| <b>Media - 1.87% (3.06%)</b>                                      |                         |                   |                       |
| 577,662   | Future                  | 4,843,696         | 0.99                  |
| 4,734,800   | Pebble                  | 4,308,668         | 0.88                  |
|   |                         | 9,152,364         | 1.87                  |
| <b>Medical Equipment and Services - 0.33% (0.00%)</b>             |                         |                   |                       |
| 729,609   | PureTech Health         | 1,630,676         | 0.33                  |
| <b>Non-life Insurance - 1.23% (0.00%)</b>                         |                         |                   |                       |
| 1,007,085   | Lancashire              | 6,012,297         | 1.23                  |
| <b>Oil, Gas and Coal - 4.05% (3.28%)</b>                          |                         |                   |                       |
| 1,028,000   | Ashtead Technology      | 4,019,480         | 0.82                  |
| 831,329   | Energiean               | 9,626,790         | 1.96                  |
| 18,112,323  | Tullow Oil              | 6,245,129         | 1.27                  |
|   |                         | 19,891,399        | 4.05                  |
| <b>Personal Care, Drug and Grocery Stores - 1.30% (0.00%)</b>     |                         |                   |                       |
| 597,572   | Hilton Food             | 3,848,364         | 0.78                  |
| 2,031,339   | Premier Foods           | 2,575,738         | 0.52                  |
|   |                         | 6,424,102         | 1.30                  |
| <b>Personal Goods - 0.00% (0.50%)</b>                             |                         |                   |                       |
| <b>Pharmaceuticals and Biotechnology - 0.00% (1.67%)</b>          |                         |                   |                       |
| <b>Precious Metals and Mining - 0.88% (0.97%)</b>                 |                         |                   |                       |
| 58,864,263  | Jubilee Metals          | 4,297,091         | 0.88                  |

## Portfolio Statement *(continued)*

| As at 31 July 2023 |   |                   |                       |
|--------------------|---|-------------------|-----------------------|
| Holding            | Investment  | Market value<br>£ | Total net assets<br>% |
|                    | <b>Real Estate Investment and Services - 2.44% (3.42%)</b>  |                   |                       |
| 4,460,315          | Helical   | 11,975,946        | 2.44                  |
|                    | <b>Real Estate Investment Trusts - 2.86% (1.66%)</b>        |                   |                       |
| 538,795            | Great Portland Estates                                      | 2,301,732         | 0.47                  |
| 2,358,839          | Workspace   | 11,704,559        | 2.39                  |
|                    |   | 14,006,291        | 2.86                  |
|                    | <b>Retailers - 6.05% (4.07%)</b>                            |                   |                       |
| 5,374,673          | DFS Furniture   | 6,481,856         | 1.32                  |
| 1,177,407          | Dunelm  | 13,540,181        | 2.76                  |
| 7,060,997          | Wickes  | 9,638,261         | 1.97                  |
|                    |   | 29,660,298        | 6.05                  |
|                    | <b>Software and Computer Services - 11.94% (12.45%)</b>     |                   |                       |
| 194,016            | accesso Technology  | 1,460,940         | 0.30                  |
| 4,451,893          | Ascential   | 9,313,360         | 1.90                  |
| 1,950,225          | Auction Technology  | 13,807,593        | 2.82                  |
| 1,463,307          | Blancco Technology  | 2,560,787         | 0.52                  |
| 3,071,828          | Bytes Technology  | 15,850,633        | 3.23                  |
| 363,605            | FD Technologies   | 6,501,257         | 1.33                  |
| 5,366,948          | Kin & Carta   | 3,628,057         | 0.74                  |
| 635,726            | Tracsis   | 5,403,671         | 1.10                  |
|                    |   | 58,526,298        | 11.94                 |
|                    | <b>Technology Hardware and Equipment - 0.64% (0.00%)</b>    |                   |                       |
| 748,590            | Midwich   | 3,144,078         | 0.64                  |
|                    | <b>Telecommunications Equipment - 4.67% (5.51%)</b>         |                   |                       |
| 4,916,326          | Spirent Communications                                      | 8,313,507         | 1.70                  |
| 875,609            | Telecom Plus  | 14,570,134        | 2.97                  |
|                    |   | 22,883,641        | 4.67                  |
|                    | <b>Telecommunications Service Providers - 4.06% (3.23%)</b> |                   |                       |
| 1,797,192          | Gamma Communications  | 19,876,944        | 4.06                  |
|                    | <b>Travel and Leisure - 5.79% (4.96%)</b>                   |                   |                       |
| 1,012,774          | JET2  | 11,383,580        | 2.32                  |
| 2,671,751          | Loungers  | 4,942,739         | 1.01                  |
| 45,854             | Secret Escapes*   | 245,319           | 0.05                  |
| 20,725             | Secret Escapes (Series E Preference)*                       | 2,095,505         | 0.43                  |
| 231,058            | Young & Co's Brewery 'A'                                    | 2,738,037         | 0.56                  |

## Portfolio Statement *(continued)*

As at 31 July 2023

| Holding | Investment   | Market value<br>£         | Total net assets<br>% |
|---------|--|---------------------------|-----------------------|
|         | <b>Travel and Leisure (continued)</b>                      |                           |                       |
| 822,441 | Young & Co's Brewery 'A' (non-voting)                      | 6,990,748                 | 1.42                  |
|         |  | <u>28,395,928</u>         | <u>5.79</u>           |
|         | <b>SINGAPORE - 1.10% (0.96%)</b>                           |                           |                       |
|         | <b>Electronic and Electrical Equipment - 1.10% (0.96%)</b> |                           |                       |
| 264,434 | XP Power (UK Listing)                                      | 5,381,232                 | 1.10                  |
|         |  | <u>465,402,716</u>        | <u>94.95</u>          |
|         | Total value of investments                                 |                           |                       |
|         | Net other assets   | 24,748,946                | 5.05                  |
|         | <b>Net assets</b>  | <u><b>490,151,662</b></u> | <u><b>100.00</b></u>  |

All holdings are ordinary shares or stock units unless otherwise stated.

The figures in brackets show allocations as at 31 July 2022.

<sup>1</sup>Investment Adviser is Jupiter Investment Management Limited.

<sup>2</sup>Represents an unlisted and unquoted security.

| Asset allocation |                |
|------------------|----------------|
| Equities         | 94.95%         |
| Net other assets | 5.05%          |
| <b>Total</b>     | <b>100.00%</b> |

| Portfolio allocation                      |                |
|---|----------------|
| Investment Banking and Brokerage Services | 12.51%         |
| Software and Computer Services            | 11.94%         |
| Industrial Support Services               | 9.56%          |
| Construction and Materials                | 6.99%          |
| Retailers                                 | 6.05%          |
| Travel and Leisure                        | 5.79%          |
| Finance and Credit Services               | 4.73%          |
| Telecommunications Equipment              | 4.67%          |
| Electronic and Electrical Equipment       | 4.28%          |
| Telecommunications Service Providers      | 4.06%          |
| Oil, Gas and Coal                         | 4.05%          |
| Aerospace and Defense                     | 3.15%          |
| Industrial Engineering                    | 3.08%          |
| Real Estate Investment Trusts             | 2.86%          |
| Real Estate Investment and Services       | 2.44%          |
| Closed End Investments                    | 1.94%          |
| Media                                     | 1.87%          |
| Personal Care, Drug and Grocery Stores    | 1.30%          |
| Non-life Insurance                        | 1.23%          |
| Precious Metals and Mining                | 0.88%          |
| Technology Hardware and Equipment         | 0.64%          |
| Household Goods and Home Construction     | 0.60%          |
| Medical Equipment and Services            | 0.33%          |
| Net other assets                          | 5.05%          |
| <b>Total</b>                              | <b>100.00%</b> |

| Major holdings            | Percentage of portfolio |
|---------------------------|-------------------------|
| Alpha FX Group            | 4.10%                   |
| Gamma Communications      | 4.06%                   |
| JTC                       | 3.48%                   |
| Smart Metering Systems    | 3.25%                   |
| Bytes Technology          | 3.23%                   |
| Oxford Instruments        | 3.18%                   |
| Chemring                  | 3.15%                   |
| Vesuvius                  | 3.08%                   |
| OSB                       | 3.06%                   |
| Morgan Sindall            | 2.98%                   |
| <b>Number of holdings</b> | <b>58</b>               |

## Statement of Total Return

| For the year ended 31 July 2023   |      |                  |                         |                  |                         |
|---|------|------------------|-------------------------|------------------|-------------------------|
|   | Note | Year to 31.07.23 |                         | Year to 31.07.22 |                         |
|   |      | £'000            | £'000                   | £'000            | £'000                   |
| Income  |      |                  |                         |                  |                         |
| Net capital losses  | 2    |                  | (131,246)               |                  | (329,051)               |
| Revenue   | 3    | 17,539           |                         | 24,757           |                         |
| Expenses  | 4    | (6,931)          |                         | (13,821)         |                         |
| Net revenue before taxation   |      | <u>10,608</u>    |                         | <u>10,936</u>    |                         |
| Taxation  | 5    | –                |                         | –                |                         |
| Net revenue after taxation  |      |                  | <u>10,608</u>           |                  | <u>10,936</u>           |
| <b>Total return before distributions</b>  |      |                  | <b>(120,638)</b>        |                  | <b>(318,115)</b>        |
| Distributions   | 6    |                  | <u>(10,966)</u>         |                  | <u>(10,941)</u>         |
| <b>Change in net assets attributable to shareholders from investment activities</b> |      |                  | <b><u>(131,604)</u></b> |                  | <b><u>(329,056)</u></b> |

## Statement of Change in Net Assets Attributable to Shareholders

| For the year ended 31 July 2023  |                  |                       |                  |                       |
|--|------------------|-----------------------|------------------|-----------------------|
|  | Year to 31.07.23 |                       | Year to 31.07.22 |                       |
|  | £'000            | £'000                 | £'000            | £'000                 |
| <b>Opening net assets attributable to shareholders</b>                       |                  | <b>833,173</b>        |                  | <b>1,415,314</b>      |
| Amounts receivable on issue of shares  | 16,586           |                       | 135,217          |                       |
| Amounts payable on cancellation of shares                                    | <u>(235,237)</u> |                       | <u>(394,749)</u> |                       |
|  |                  | (218,651)             |                  | (259,532)             |
| Change in net assets attributable to shareholders from investment activities |                  | (131,604)             |                  | (329,056)             |
| Retained distribution on accumulation shares                                 |                  | <u>7,234</u>          |                  | <u>6,447</u>          |
| <b>Closing net assets attributable to shareholders</b>                       |                  | <b><u>490,152</u></b> |                  | <b><u>833,173</u></b> |

The notes on pages 220 and 231 form an integral part of these financial statements.

## Balance Sheet

| As at 31 July 2023                             |      |                   |                   |
|--|------|-------------------|-------------------|
|  | Note | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
| <b>Assets</b>                                  |      |                   |                   |
| Fixed Assets:                                  |      |                   |                   |
| Investments                                    |      | 465,403           | 799,476           |
| Current assets:                                |      |                   |                   |
| Debtors  | 7    | 2,074             | 4,250             |
| Cash and bank balances                         | 8    | 27,038            | 38,274            |
| Total assets                                   |      | 494,515           | 842,000           |
| <b>Liabilities</b>                             |      |                   |                   |
| Creditors:                                     |      |                   |                   |
| Distributions payable                          |      | (2,257)           | (2,859)           |
| Other creditors                                | 9    | (2,106)           | (5,968)           |
| Total liabilities                              |      | (4,363)           | (8,827)           |
| <b>Net assets attributable to shareholders</b> |      | <b>490,152</b>    | <b>833,173</b>    |

The notes on pages 220 to 231 form an integral part of these financial statements.

## Notes to the Financial Statements

### 1. Significant Accounting Policies

The summary of applicable accounting policies adopted by the Jupiter UK Smaller Companies Fund are included on pages 234 to 236.

### 2. Net Capital Losses

The net losses on investments during the year comprise:

|                                      | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--------------------------------------|-------------------|-------------------|
| Currency (losses)/gains              | (3)               | 27                |
| Transaction charges                  | (460)             | –                 |
| Losses on non-derivative securities  | (130,771)         | (329,078)         |
| Losses on forward currency contracts | (12)              | –                 |
| <b>Net capital losses</b>            | <b>(131,246)</b>  | <b>(329,051)</b>  |

### 3. Revenue

|                        | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|------------------------|-------------------|-------------------|
| UK dividends           | 14,887            | 23,384            |
| Overseas dividends     | 1,028             | 730               |
| Bank interest          | 328               | 17                |
| Management fee rebates | 113               | 156               |
| Revenue from REITs     | 1,183             | 470               |
| <b>Total revenue</b>   | <b>17,539</b>     | <b>24,757</b>     |

### 4. Expenses

|  | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--|-------------------|-------------------|
| <b>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:</b> |                   |                   |
| Fixed Annual Charge*   | 6,931             | 730               |
| Fixed Ongoing Charge   | –                 | 13,091            |
| <b>Total expenses</b>  | <b>6,931</b>      | <b>13,821</b>     |

\*This figure represent the Fixed Annual Charge, which covers all fees payable by the sub-fund to the Authorised Corporate Director, Investment adviser, Depositary (including associates etc.) and other expenses.

The audit fee for the year, excluding VAT, was £10,900 (31.07.22: £10,050).



## Notes to the Financial Statements *(continued)*

### 5. Taxation

#### (a) Analysis of charge in the year:

|                                      | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--------------------------------------|-------------------|-------------------|
| <b>Total tax charge for the year</b> | -                 | -                 |

#### (b) Factors affecting total tax charge for the year:

The tax assessed for the year is lower (2022: lower) than the standard rate of Corporation Tax in the UK for an open-ended investment company. The differences are explained below:

|  | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--|-------------------|-------------------|
| Net revenue before taxation            | 10,608            | 10,936            |
| Corporation tax of 20% (2022: 20%)     | 2,122             | 2,187             |
| <b>Effects of:</b>                     |                   |                   |
| Current year expenses not utilised     | 1,131             | 2,639             |
| Revenue not subject to taxation        | (3,253)           | (4,826)           |
| <b>Current tax charge for the year</b> | -                 | -                 |

OEICs are exempt from tax on capital gains, therefore any capital return is not included in the above reconciliation.

#### (c) Provision for Deferred Tax

At 31 July 2023, there are surplus management expenses of £180,415,765 (31.07.22: £174,762,713). It is unlikely the sub-fund will generate sufficient taxable profits in the future to utilise this amount and therefore a Deferred Tax asset of £36,083,153 (31.07.22: £34,952,543) has not been recognised.

## Notes to the Financial Statements *(continued)*

### 6. Distributions

The distributions take account of amounts received on the issue of shares and deducted on the cancellation of shares and comprise:

|   | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|---|-------------------|-------------------|
| Final distribution  | 9,491             | 9,306             |
|   | 9,491             | 9,306             |
| Amounts received on issue of shares                                   | (66)              | (337)             |
| Amounts paid on cancellation of shares                                | 1,541             | 1,972             |
| <b>Net distributions for the year</b>                                 | <b>10,966</b>     | <b>10,941</b>     |
| <b>Reconciliation of net revenue after taxation to distributions:</b> |                   |                   |
| Net revenue after taxation  | 10,608            | 10,936            |
| Equalisation on conversions   | 358               | 5                 |
| <b>Net distributions for the year</b>                                 | <b>10,966</b>     | <b>10,941</b>     |

Details of the distributions in pence per share are shown in the Distribution Tables on pages 232 and 233.

### 7. Debtors

|  | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--|-------------------|-------------------|
| Accrued revenue                        | 1,232             | 1,835             |
| Amounts receivable for issue of shares | 4                 | 1,083             |
| Management fee rebates receivable      | 16                | 323               |
| PID tax recoverable                    | 51                | –                 |
| Sales awaiting settlement              | 771               | 1,009             |
| <b>Total debtors</b>                   | <b>2,074</b>      | <b>4,250</b>      |

### 8. Cash and Bank Balances

|                                     | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|-------------------------------------|-------------------|-------------------|
| Cash and bank balances              | 27,038            | 38,274            |
| <b>Total cash and bank balances</b> | <b>27,038</b>     | <b>38,274</b>     |

### 9. Other Creditors

|  | 31.07.23<br>£'000 | 31.07.22<br>£'000 |
|--|-------------------|-------------------|
| Accrued expenses                           | 103               | 242               |
| Amounts payable for cancellation of shares | 2,003             | 5,726             |
| <b>Total other creditors</b>               | <b>2,106</b>      | <b>5,968</b>      |

## Notes to the Financial Statements *(continued)*

### 10. Contingent Assets, Liabilities and Capital Commitments

The sub-fund had no contingent assets, liabilities or capital commitments at the balance sheet date (31.07.22: £nil).

### 11. Related Party Transactions

Jupiter Fund Managers Limited (prior to 14 November 2022) and Jupiter Unit Trust Managers Limited thereafter, as ACD, is a related party, and acts as principal in respect of all transactions of shares in each sub-fund. The aggregate monies received on issue and paid on cancellation are disclosed in the Statement of change in net assets attributable to shareholders on page 218. Any amounts due to or from ACD at the end of the accounting year in respect of transactions of shares in each sub-fund are disclosed in Notes 7 (Debtors) and 9 (Other Creditors).

Amounts receivable/(payable) from ACD in respect of issues/cancellations are disclosed in the Statement of Change in Net Assets Attributable to Shareholders. At the year end, a net balance of £1,998,634 was payable to ACD (31.07.22: £4,642,724 payable to ACD). These amounts are included in amounts receivable for issue of shares in Note 7 and amounts payable for cancellation of shares in Note 9.

Any amounts due to or from ACD in respect of fund management is presented as Fixed Annual Charge in Note 4 (Expenses). At the year end, £103,311 (31.07.22: £241,974) was payable to ACD. This amount is included as part of accrued expenses in Note 9.

Where investments are held in other Jupiter products, a rebate could be paid into the sub-fund. Amounts received from other Jupiter products as management fee rebates are included in Note 2 (Net Capital Losses) and Note 3 (Revenue). At the year end, £15,734 (31.07.22: £322,964) was receivable from other Jupiter products. This amount is included as management fee rebates receivable in Note 7.

Holdings in other products where Jupiter are the Investment Manager at the year-end, which are shown in the portfolio statement on pages 213 to 216 are valued at £9,508,500 (31.07.22: £16,788,402). There were no outstanding trade transaction at year end (31.07.22: £nil).

There were no dividends received nor accrued revenue from other Jupiter products (31.07.22: £nil).

### 12. Financial Instruments

#### Financial Instrument Risk

The sub-fund, in pursuing its objective, holds a number of financial instruments, which may comprise of the following:

Equity shares and equity related shares.

The sub-fund will also hold cash and other short term debtors and creditors that arise directly from its operations.

In addition, the sub-fund may hold derivatives for the purpose of efficient portfolio management in accordance with the COLL Sourcebook. The financial instruments are held in line with the sub-fund's investment policy.

The Investment Adviser is responsible for monitoring the portfolio of the sub-fund in accordance with its investment objective and seeks to ensure that individual assets also meet a risk reward profile that is acceptable. The ACD has appointed specialist managers to manage the sub-fund, and continuously monitors this appointment.

Adherence to the investment guidelines and the investment and borrowing powers as set out in the Prospectus and in the rules of the Regulations also mitigates the risk of excessive exposure to any particular type of security or issuer. Further information on the investment portfolio is set out in the Investment Adviser's review and the Portfolio statement of each sub-fund.

## Notes to the Financial Statements *(continued)*

### 12. Financial Instruments *(continued)*

The main risks arising from financial instruments are market price, foreign currency, interest rate, liquidity, credit and counterparty risk which are summarised below.

#### Market Price Risk

Market risk arises from uncertainty about future prices of financial instruments held. The main source of risk to the sub-fund is the potential movement in the value of financial instruments held as a result of price fluctuations. Stock market prices can move erratically and be unpredictably affected by diverse factors including political and economic events but also rumours and sentiment. The ACD adheres to the investment guidelines and borrowing powers set out within the Prospectus and the COLL Sourcebook. In this way the ACD monitors and controls the exposure to risk from any type of security, sector or issuer. The sub-fund may also use derivative instruments to mitigate this risk and reduce cost.

#### Market Price Risk Sensitivity

A five percent market movement in the price of investments held by the sub-fund, with all other variables remaining constant, would result in an increase or decrease on net asset value of the sub-fund by approximately £23,270,136 or 4.75% of NAV (31.07.22: £39,973,810 or 4.80% of NAV).

#### Foreign Currency Risk

A proportion of the sub-fund's financial assets and liabilities are invested overseas. As a result, movements in exchange rates may affect the market price of investments and, due to timing differences between the transaction dates of investment sales, purchases and income, and actual cash settlement, create currency exchange gains/losses. The Investment Adviser does seek to reduce some of this risk by using forward currency contracts. At the year end, the fund had no foreign currency investments (31.07.22: nil).

#### Foreign Currency Risk Sensitivity

In the event of changes in exchange rates, there would be no material impact upon the assets of the sub-fund.

## Notes to the Financial Statements *(continued)*

### 12. Financial Instruments *(continued)*

#### Interest Rate Risk

Interest rate risk is the risk of movements in the value of financial instruments as a result of fluctuations in interest rates. The interest rate risk profile of the sub-fund's financial assets and liabilities at the year end were as follows:

| Currency        | Floating Rate<br>financial assets<br>£'000 | Fixed Rate<br>financial assets<br>£'000 | Financial assets<br>not carrying interest<br>£'000 | Total<br>£'000 |
|-----------------|--|---|--|----------------|
| <b>31.07.23</b> |  |   |  |                |
| Sterling        | 27,038                                     | –                                       | 467,477  | 494,515        |
| <b>Total</b>    | <b>27,038</b>                              | <b>–</b>                                | <b>467,477</b>                                     | <b>494,515</b> |
| <b>31.07.22</b> |  |   |  |                |
| Sterling        | 38,274                                     | –                                       | 803,726  | 842,000        |
| <b>Total</b>    | <b>38,274</b>                              | <b>–</b>                                | <b>803,726</b>                                     | <b>842,000</b> |

| Currency        | Floating Rate<br>financial liabilities<br>£'000 | Fixed Rate<br>financial liabilities<br>£'000 | Financial liabilities<br>not carrying interest<br>£'000 | Total<br>£'000 |
|-----------------|---|--|---|----------------|
| <b>31.07.23</b> |   |  |   |                |
| Sterling        | –   | –  | 4,363   | 4,363          |
| <b>Total</b>    | <b>–</b>  | <b>–</b>                                     | <b>4,363</b>  | <b>4,363</b>   |
| <b>31.07.22</b> |   |  |   |                |
| Sterling        | –   | –  | 8,827   | 8,827          |
| <b>Total</b>    | <b>–</b>  | <b>–</b>                                     | <b>8,827</b>  | <b>8,827</b>   |

There are no material amounts of non interest-bearing financial assets, which do not have maturity dates, other than equities, and therefore no sensitivity analysis has been disclosed in these financial statements.

The floating rate financial assets and liabilities include bank balances and overdrafts that bear interest. Interest rates on Sterling and overseas bank balances as supplied by the custodian may vary in line with market conditions and the size of deposit. Overdraft interest is calculated at the current Bank of England base rate plus 1.00%.

#### Liquidity Risk

The sub-fund's assets comprise mainly of readily realisable securities which can be sold promptly to meet liquidity requirements. The main source of this risk comes from the obligation to shareholders to meet any cancellation of shares.

Assets from the sub-fund may need to be sold to meet any redemption proceeds. As part of its operating duties the ACD regularly monitors the liquidity levels held on the sub-fund (cash and underlying securities) to ensure any redemption can be readily met. Some investments may be less liquid than other securities and can be more sensitive to economic factors. The rules of the Regulations mitigate the risk of excessive exposure to assets which are not readily realisable.

## Notes to the Financial Statements *(continued)*

### 12. Financial Instruments *(continued)*

#### Credit Risk

Credit risk is the risk of suffering loss due to another party not meeting its financial obligation. The risk is managed by the Investment Adviser who monitors the credit profile of financial instruments in accordance with the objective and policy of the sub-fund.

Adherence to the investment guidelines and the investment and borrowing powers as set out in the Prospectus and in the rules of the Regulations also mitigates the risk of excessive exposure to any particular type of security or issuer. Further information on the investment portfolio is set out in the Investment Adviser's review and the Portfolio statement.

#### Counterparty Risk

Certain transactions in financial instruments that a sub-fund enters into have the risk that the counterparty will not meet its financial obligations, i.e. the investment (purchase) or cash (sale) after the sub-fund has fulfilled its responsibilities.

The sub-fund will only buy and sell investments through brokers which have been approved by the ACD and Investment Adviser as an acceptable counterparty. This is overseen by the Depositary to ensure that the exposure to any counterparty remains appropriate for investors.

#### Global Exposure

The Investment Adviser assesses the market risk of the Jupiter UK Smaller Companies Fund, including any derivative exposures, using a commitment approach. All exposure arising through the investment in financial derivative instruments will be covered by the underlying assets of the sub-fund. The sub-fund will use the commitment approach methodology to measure, monitor and manage the "leverage" effect produced by the use of financial derivative instruments and for the calculation of global exposure. As the sub-fund uses the commitment approach, it must ensure that its global exposure does not exceed its total net asset value and the sub-fund may not therefore be leveraged in excess of 100% of its net asset value. In using the commitment approach for the calculation of global exposure, the sub-fund will convert each derivative position into the market value of an equivalent position in the underlying asset of that derivative. Using the commitment approach, the global exposure is 0.00% (31.07.22: 0.00%).

## Notes to the Financial Statements *(continued)*

### 13. Fair Value of Financial Assets and Liabilities

There is no material difference between the carrying value of the financial assets and liabilities, as shown in the Balance sheet, and their fair value.

**The fair value of investments has been determined using the following hierarchy:**

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Level 3: Valuation techniques using unobservable inputs.

| Basis of valuation | Assets<br>£'000 | Liabilities<br>£'000 |
|--------------------|-----------------|----------------------|
| <b>31.07.23</b>    |                 |                      |
| Level 1            | 463,062         | –                    |
| Level 2            | –               | –                    |
| Level 3            | 2,341           | –                    |
| <b>Total</b>       | <b>465,403</b>  | <b>–</b>             |

| Basis of valuation | Assets<br>£'000 | Liabilities<br>£'000 |
|--------------------|-----------------|----------------------|
| <b>31.07.22</b>    |                 |                      |
| Level 1            | 781,126         | –                    |
| Level 2            | –               | –                    |
| Level 3            | 18,350          | –                    |
| <b>Total</b>       | <b>799,476</b>  | <b>–</b>             |

## Notes to the Financial Statements *(continued)*

### 13. Fair Value of Financial Assets and Liabilities *(continued)*

The majority of financial instruments are classified as level 1: Quoted prices. Instruments classified as level 3: Unobservable data mainly comprise non-market traded and unquoted securities.

Generally for the non-market traded and unquoted securities, where there is no price source from an active market for an investment, the ACD has applied judgement in determining the fair value. The ACD has used several valuation methodologies as prescribed in the International Private Equity and Venture Capital valuation guidelines to arrive at their best estimate of fair value. Valuation techniques used by the ACD are set out in Significant Accounting Policies (j). The fair value is established by using measures of value such as:

- **Price of recent transactions** — Management determine the fair value based on the price of recent transactions made by management or a third party.
- **Milestone analysis** — Management assess the investment company's progress against milestones expected at the time of investment in order to determine whether an adjustment is required to the transaction price to determine fair value.
- **Multiples** — Earnings or Revenue multiples are selected from comparable public companies based on geographic location, industry, size, risk profile, earnings growth prospects, target markets and other factors that management consider reasonable. A discount for lack of liquidity may then be applied to represent the adjustment to comparable company multiples to reflect the illiquidity of the portfolio companies relative to the comparable peer group. Management determines the discount for lack of liquidity based on its judgement, after considering market liquidity conditions and company specific factors such as the development stage of the portfolio company. Among the most common forms of multiples used for cash generating companies are EV/EBITDA and EV/Revenue multiples, generally seen to represent a good proxy for free cash flow and company performance. These are applied where appropriate based on the development of underlying portfolio companies but other inputs such as comparable company share price movements may also be considered.

■ **Net assets** — Management determine the fair value based on the net asset value of the underlying portfolio company. In applying the above valuation techniques in arriving at the fair value the ACD has assessed any further information available from internal and external sources to arrive at an estimated fair value, which includes but is not limited to the following:

- Reference to listed securities of the same company.
- Consideration of seniority of the securities held and terms of repayment upon realisation.
- Consideration of any trading restrictions on the investment company's shares that would limit ACD's ability to realise its holding.
- Consideration of any outstanding payments to be made by ACD.
- Industry statistics or events (such as mergers and acquisitions).

The fair value of the sub-fund's investments in Secret Escapes and Secret Escape (Series E preference) are determined using the outsourced provider S&P Global (formerly IHS Markit) with its market approach using comparable traded multiples and the price is assessed and agreed by the governance process in place by the Unlisted Asset Valuation Committee (UAVC).



## Notes to the Financial Statements *(continued)*

### 14. Portfolio Transaction Costs

For the year ended 31 July 2023

|  | Equities<br>£'000 | %    | Collective<br>Investment<br>Schemes<br>£'000 | %    | Total<br>£'000 |
|--|-------------------|------|--|------|----------------|
| <b>31.07.23</b>                            |                   |      |  |      |                |
| <b>Analysis of total purchases costs</b>   |                   |      |  |      |                |
| Purchases in year before transaction costs | 39,846            |      | –  |      | 39,846         |
| Commissions                                | 17                | 0.04 | –  | –    | 17             |
| Expenses and other charges                 | 87                | 0.22 | –  | –    | 87             |
|  | 104               |      | –  |      | 104            |
| Purchases including transaction costs      | 39,950            |      | –  |      | 39,950         |
| <b>Analysis of total sales costs</b>       |                   |      |  |      |                |
| Sales in year before transaction costs     | 241,240           |      | 2,121  |      | 243,361        |
| Commissions                                | (106)             | 0.04 | (1)  | 0.05 | (107)          |
| Expenses and other charges                 | (1)               | –    | –  | –    | (1)            |
|  | (107)             |      | (1)  |      | (108)          |
| Sales net of transaction costs             | 241,133           |      | 2,120  |      | 243,253        |

Commissions, taxes and expenses and other charges as % of average net assets:

|                            |       |
|----------------------------|-------|
| Commissions                | 0.02% |
| Expenses and other charges | 0.01% |

The average portfolio dealing spread as at the balance sheet date was 0.51%.

## Notes to the Financial Statements *(continued)*

### 14. Portfolio Transaction Costs *(continued)*

For the year ended 31 July 2022

|  | Equities<br>£'000 | %    | Corporate<br>Actions<br>£'000 | % | Total<br>£'000 |
|--|-------------------|------|-------------------------------|---|----------------|
| <b>31.07.22</b>                            |                   |      |                               |   |                |
| <b>Analysis of total purchases costs</b>   |                   |      |                               |   |                |
| Purchases in year before transaction costs | 134,721           |      | 1,260                         |   | 135,981        |
| Commissions                                | 63                | 0.05 | –                             | – | 63             |
| Expenses and other charges                 | 518               | 0.38 | –                             | – | 518            |
|  | 581               |      | –                             |   | 581            |
| Purchases including transaction costs      | 135,302           |      | 1,260                         |   | 136,562        |
| <b>Analysis of total sales costs</b>       |                   |      |                               |   |                |
| Sales in year before transaction costs     | 400,457           |      | –                             |   | 400,457        |
| Commissions                                | (171)             | 0.04 | –                             | – | (171)          |
| Expenses and other charges                 | (1)               | 0.00 | –                             | – | (1)            |
|  | (172)             |      | –                             |   | (172)          |
| Sales net of transaction costs             | 400,285           |      | –                             |   | 400,285        |

Commissions, taxes and expenses and other charges as % of average net assets:

|                            |       |
|----------------------------|-------|
| Commissions                | 0.02% |
| Expenses and other charges | 0.04% |

The average portfolio dealing spread as at the balance sheet date was 0.56%.

## Notes to the Financial Statements *(continued)*

### 15. Shareholders' Funds

The net asset value of each share class, net asset value per share and the number of shares in issue are given in the comparative tables for each sub-fund.

The share classes currently in issue and the Fixed Annual Charge of each share class are shown below.

| Share Class           | 31.07.23 | 31.07.22 |
|-----------------------|----------|----------|
| L (GBP) Income        | 1.90%    | 1.90%    |
| L (GBP) Accumulation  | 1.90%    | 1.90%    |
| I (GBP) Income        | 1.025%   | 1.025%   |
| I (GBP) Accumulation  | 1.025%   | 1.025%   |
| P (GBP) Income        | 1.40%    | 1.40%    |
| P (GBP) Accumulation  | 1.40%    | 1.40%    |
| U1 (GBP) Income       | 0.9375%  | 0.9375%  |
| U1 (GBP) Accumulation | 0.9375%  | 0.9375%  |
| U2 (GBP) Income       | 0.85%    | 0.85%    |
| U2 (GBP) Accumulation | 0.85%    | 0.85%    |

| Reconciliation of Shares                  | L (GBP)<br>Income | L (GBP)<br>Accumulation | I (GBP)<br>Income | I (GBP)<br>Accumulation |
|---|-------------------|-------------------------|-------------------|-------------------------|
| Opening number of shares at 1 August 2022 | 2,501,753         | 28,782,149              | 20,433,536        | 91,684,726              |
| Shares issued in year                     | 10,517            | 385,919                 | 453,984           | 3,430,677               |
| Shares cancelled in year                  | (461,188)         | (3,622,782)             | (5,569,042)       | (26,484,193)            |
| Shares converted in year                  | (1,569,572)       | (15,045,699)            | 3,067,893         | 27,341,921              |
| Closing number of shares at 31 July 2023  | 481,510           | 10,499,587              | 18,386,371        | 95,973,131              |

| Reconciliation of Shares                  | P (GBP)<br>Income | P (GBP)<br>Accumulation | U1 (GBP)<br>Income | U1 (GBP)<br>Accumulation |
|---|-------------------|-------------------------|--------------------|--------------------------|
| Opening number of shares at 1 August 2022 | 3,366,718         | 1,690,689               | 79,249,255         | 103,380,174              |
| Shares issued in year                     | 898               | 11,811                  | 1,577,868          | 1,291,163                |
| Shares cancelled in year                  | (700,173)         | (208,846)               | (39,544,126)       | (41,700,252)             |
| Shares converted in year                  | (13,394)          | (72,771)                | (6,759,604)        | (37,964)                 |
| Closing number of shares at 31 July 2023  | 2,654,049         | 1,420,883               | 34,523,393         | 62,933,121               |

| Reconciliation of Shares                  | U2 (GBP)<br>Income | U2 (GBP)<br>Accumulation |
|---|--------------------|--------------------------|
| Opening number of shares at 1 August 2022 | 5,354,764          | 3,853,948                |
| Shares issued in year                     | 34,252             | 247,311                  |
| Shares cancelled in year                  | (2,551,846)        | (2,051,471)              |
| Shares converted in year                  | 7,088,651          | 23,018                   |
| Closing number of shares at 31 July 2023  | 9,925,821          | 2,072,806                |

## Distribution Table

For the year ended 31 July 2023

### FINAL

Group 1: Shares purchased prior to 1 August 2022

Group 2: Shares purchased on or after 1 August 2022 to 31 July 2023

|                       | Revenue         | Equalisation    | Distribution paid<br>29.09.23 | Distribution paid<br>30.09.22 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| L (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 4.4408          | –               | 4.4408                        | 1.1528                        |
| Group 2               | 0.8641          | 3.5767          | 4.4408                        | 1.1528                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>29.09.23 | Distribution accumulated<br>30.09.22 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| L (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 4.6454          | –               | 4.6454                               | 1.2032                               |
| Group 2                     | 2.4874          | 2.1580          | 4.6454                               | 1.2032                               |

|                       | Revenue         | Equalisation    | Distribution paid<br>29.09.23 | Distribution paid<br>30.09.22 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| I (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 4.2721          | –               | 4.2721                        | 3.3044                        |
| Group 2               | 3.0974          | 1.1747          | 4.2721                        | 3.3044                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>29.09.23 | Distribution accumulated<br>30.09.22 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| I (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 4.7974          | –               | 4.7974                               | 3.6599                               |
| Group 2                     | 3.4501          | 1.3473          | 4.7974                               | 3.6599                               |

|                       | Revenue         | Equalisation    | Distribution paid<br>29.09.23 | Distribution paid<br>30.09.22 |
|-----------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| P (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1               | 3.0668          | –               | 3.0668                        | 1.9171                        |
| Group 2               | 2.4606          | 0.6062          | 3.0668                        | 1.9171                        |

|                             | Revenue         | Equalisation    | Distribution accumulated<br>29.09.23 | Distribution accumulated<br>30.09.22 |
|-----------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| P (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                     | 5.3314          | –               | 5.3314                               | 3.3071                               |
| Group 2                     | 4.0129          | 1.3185          | 5.3314                               | 3.3071                               |

## Distribution Table *(continued)*

For the year ended 31 July 2022

### FINAL

Group 1: Shares purchased prior to 1 August 2022

Group 2: Shares purchased on or after 1 August 2022 to 31 July 2023

|                        | Revenue         | Equalisation    | Distribution paid<br>29.09.23 | Distribution paid<br>30.09.22 |
|------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| U1 (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                | 3.0853          | –               | 3.0853                        | 2.4671                        |
| Group 2                | 2.3155          | 0.7698          | 3.0853                        | 2.4671                        |

|                              | Revenue         | Equalisation    | Distribution accumulated<br>29.09.23 | Distribution accumulated<br>30.09.22 |
|------------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| U1 (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                      | 3.1740          | –               | 3.1740                               | 2.5009                               |
| Group 2                      | 2.0202          | 1.1538          | 3.1740                               | 2.5009                               |

|                        | Revenue         | Equalisation    | Distribution paid<br>29.09.23 | Distribution paid<br>30.09.22 |
|------------------------|-----------------|-----------------|-------------------------------|-------------------------------|
| U2 (GBP) Income Shares | pence per share | pence per share | pence per share               | pence per share               |
| Group 1                | 3.0635          | –               | 3.0635                        | 2.5212                        |
| Group 2                | 1.0737          | 1.9898          | 3.0635                        | 2.5212                        |

|                              | Revenue         | Equalisation    | Distribution accumulated<br>29.09.23 | Distribution accumulated<br>30.09.22 |
|------------------------------|-----------------|-----------------|--------------------------------------|--------------------------------------|
| U2 (GBP) Accumulation Shares | pence per share | pence per share | pence per share                      | pence per share                      |
| Group 1                      | 3.3079          | –               | 3.3079                               | 2.6869                               |
| Group 2                      | 1.5071          | 1.8008          | 3.3079                               | 2.6869                               |

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of revenue included in the purchase price of all Group 2 shares and is refunded to holders of these shares as a return of capital. Being capital, it is not liable to Income Tax but must be deducted from the cost of shares for Capital Gains Tax purposes.

## Significant Accounting Policies

### (a) Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Management Association in May 2014 and amended in June 2017.

### Going Concern

For all funds apart from Jupiter Investment Grade Bond Fund and Merian UK Equity Income Fund, the ACD has undertaken a detailed assessment of each sub-fund's ability to meet its liabilities as they fall due, including liquidity, declines in global capital markets and investor redemption levels. Based on this assessment, the sub-funds continue to be open for trading and the ACD is satisfied the sub-funds have adequate financial resources to continue in operation for at least 12 months and accordingly it is appropriate to adopt the going concern basis in preparing the financial statements.

The Authorised Corporate Director closed the Jupiter Investment Grade Bond Fund and merged all of its shares into the Jupiter Corporate Bond Fund on 21 July 2023. All costs associated with the closure will be borne by the Authorised Corporate Director. As such, the financial statements for this sub-fund have not been prepared on a going concern basis.

The Authorised Corporate Director intends to close the Merian UK Equity Income Fund and merge all of its shares into the Jupiter Responsible Income Fund on 24 November 2023. All costs associated with the closure will be borne by the Authorised Corporate Director. As such, the financial statements for this sub-fund have not been prepared on a going concern basis.

There has been no impact on the financial statements or disclosure notes to adjust assets or liabilities to realisable values, or to provide for liabilities arising from the decision to terminate the funds. No Liabilities have been recorded for costs of the terminations as the intention is that the ACD will bear any such costs which may arise.

### (b) Recognition of revenue

Dividends on quoted ordinary shares, preference shares and distributions on holdings in Collective Investment Schemes are recognised when the securities are quoted ex-dividend. Where such securities are not quoted, dividends are recognised when they are declared.

All distributions from accumulation holdings in Collective Investment Schemes are treated as revenue. The equalisation component of collective investment scheme distributions has been recognised as capital.

Dividends from UK REITs are split into PID (Property Income Distributions) and Non-PID components for tax purposes. Revenue arising from UK REITs tax-exempt rental business is colloquially known as PID revenue and is taxable in the hands of the Fund. A UK REIT may also carry out activities that give rise to taxable profits and gains. It is from these that the REIT will make a Non-PID distribution, these are treated for tax purposes in the same way as dividends from UK companies.

Nominal interest on interest bearing securities and bank interest are recognised on an accruals basis. Accrued interest purchased and sold on interest bearing securities is excluded from the capital cost of these securities and dealt with as part of the revenue of the sub-fund. Revenue arising on debt securities that are purchased at a discount/ premium to the maturity value is amortised or accumulated over the life of such securities and recognised at a consistent rate over the life of the instrument (effective yield basis). This basis uses the effective interest rate of the security to discount exactly the expected stream of future cash flows to the current net carrying value of the security.

### (c) Treatment of stock dividends

Ordinary stock dividends are recognised wholly as revenue and are based on the market value of the shares on the dates they are quoted ex-dividend. Where an enhancement is offered, the amount by which the market value of the shares (on the date they are quoted ex-dividend) exceeds the cash dividend is taken to capital. The ordinary element of stock dividends is treated as revenue but does not form part of the distribution.

## Significant Accounting Policies *(continued)*

### (d) Special dividends and share buy backs

The underlying circumstances behind both special dividends and share buy backs are reviewed on a case by case basis in determining whether the amount is revenue or capital in nature. Amounts recognised as revenue will form part of the distribution. The tax treatment will follow the accounting treatment of the principal amount.

### (e) Treatment of expenses

All expenses, except those relating to the purchase and sale of investments, are included in expenses, in the Statement of Total Return. Expenses are recognised on an accruals basis and include irrecoverable VAT where appropriate.

### (f) Revenue allocation to share classes

Revenue is allocated to the share classes of each sub-fund based on the proportion of assets held within each share class.

### (g) Rebate of Authorised Corporate Director's fees from underlying instruments

The sub-funds may be entitled to a rebate of Authorised Corporate Director's charge, or is sometimes paid as renewal commission, when it holds underlying investments in Collective Investment Schemes. This is accrued daily and treated as revenue or capital depending on the treatment of the ACD charge in the underlying investment.

### (h) Taxation and deferred tax

Provision is made for corporation tax at the current rate on the excess of taxable revenue over allowable expenses. Provision is made on all material timing differences arising from the different treatment of items for accounting and tax purposes. Tax is calculated using the marginal basis i.e. the tax effect of income and expenditure is allocated between capital and revenue on the same basis as the particular item to which it relates. A deferred tax asset is recognised only to the extent that there will be taxable profits in the future against which the asset can be offset.

### (i) Distribution policy

All of the net revenue available for distribution at the end of interim and final distribution periods will be distributed to shareholders. Should taxation and expenses taken together exceed revenue, there will be no distribution and the shortfall will be met from capital. The sub-funds distribute revenue on debt securities on an effective yield basis. Equalisation received on collective investment scheme distributions are recognised as capital.

For all sub-funds, some or all of any charges and expenses (including the charges of the ACD, the Depositary and the Administrator) may be treated as a capital expense in accordance with the COLL Sourcebook, which may have the effect of constraining capital growth, as the Company may treat the generation of income as a higher priority than capital growth or (as the case may be) place equal emphasis on the generation of income and on capital growth. In respect of the Jupiter Investment Grade Bond Fund, Jupiter Monthly Income Bond, Jupiter UK Alpha Fund, and Merian UK Equity Income Fund the policy is to charge all expenses to capital. While in respect of Jupiter UK Opportunities, Jupiter UK Smaller Companies and Jupiter UK Mid Cap, expenses are charged to income.

Distributions which have remained unclaimed by Shareholders for more than six years are credited to the capital property of the Fund.

### (j) Basis of valuation of investments

The investments of the Fund have been valued using bid market values ruling on international stock exchanges at Close of Business on 31 July 2023, being the last valuation point of the year. Market value is defined by the SORP as fair value which is generally the bid value of each security.

Where a stock is unlisted or where there is a non liquid market, a valuation for this stock has been obtained from market makers where possible, and suspended stocks are normally valued at their suspension price. However, where the Manager believes that these prices do not reflect a fair value, or where no reliable price exists for a security, it is valued at a price which in the opinion of the Manager reflects a fair and reasonable price for that investment.

For investments in other Collective Investment Schemes, these are valued at the bid price for dual priced funds and at the single price for single priced funds as defined by the SORP as being their respective fair value.

## Significant Accounting Policies *(continued)*

### **(j) Basis of valuation of investments** *(continued)*

An Unlisted Asset Valuation Committee (UAVC) of the Investment Manager is responsible for approving unquoted prices. The UAVC meets on a monthly basis and consists of representatives from various parts of the Investment Manager who act as an independent party, segregated from the fund management function to review and approve fair value pricing decisions and pricing models on a regular basis.

### **(k) Exchange rates**

Assets and liabilities in foreign currencies are translated into sterling at the exchange rates ruling at noon on the last business day of the accounting year. Revenue items in foreign currencies are translated into sterling at the exchange rates ruling when the revenue is received.

### **(l) Financial instruments**

Where appropriate, certain permitted financial instruments such as derivatives or forward currency contracts are used for efficient portfolio management and / or investment purposes. Where such financial instruments are used to protect or enhance revenue, the revenue and expenses derived therefrom are included in "revenue" or "expenses" in the statement of total return. Where such financial instruments are used to protect or enhance capital, the gains and losses derived therefrom are included in "Net capital gains/(losses)" in the statement of total return. Any positions on such financial instruments open at the year-end are reflected in the Balance sheet at their market value at the close of business on the last business day of the accounting year. Assets and liabilities in foreign currencies are translated into sterling at the exchange rates ruling at close of business on the last business day of the accounting year.

Jupiter Investment Grade Bond Fund, Jupiter Monthly Income Bond Fund, Merian UK Equity Income Fund and Jupiter UK Opportunities Fund can use derivatives for investment purposes and for efficient portfolio management. For all other sub-funds use of derivatives is for efficient portfolio management.

### **(m) Dilution policy**

The ACD has discretion to require a dilution adjustment to the price of a share on the purchase or redemption of shares in the sub-fund. The ACD's policy is to make a dilution adjustment when the ACD believes it is in the interest of the shareholders to do so.



## Remuneration Policy

### UCITS V Remuneration Qualitative Disclosures

#### Decision-making process to determine remuneration policies

Under the Jupiter's Group's framework ultimate responsibility in remuneration matters is held by the Board of Directors of Jupiter Fund Management Plc. The Board is supported in remunerated-related issues by the Remuneration Committee ("RemCo").

The Board is responsible for establishing the Group Remuneration Policy, and with support of the RemCo regularly reviewing the Group Remuneration Policy to meet any important regulatory developments and the objectives of the Group.

The RemCo is delegated with the role of supporting the Board in setting remuneration guidelines, establishing share-based remuneration plans, and approving the aggregate variable remuneration expenditure of the Group as well as determining and proposing to the Board the individual total remuneration payable to the members of the Board (other than its chairman) for approval. The RemCo ensures that the Remuneration Policy and practices across the Group operate in line with EU regulations that apply to its regulated entities and delegates.

The RemCo regularly reports to the Board on the status of its activities, the development of the remuneration architecture within the Group as well as on the operational implementation of this Policy. The RemCo consists of at least three members of the Board all of whom are Non-Executive Directors.

Jupiter's remuneration philosophy is aligned with the Group's pre-incentive operating profit as well as its tolerance for risk. The Group's approach provides for remuneration that attracts and retains employees in each local market and motivates them to contribute to the development and growth of its business. The policy promotes sound and effective risk management and does not encourage inappropriate risk taking.

#### Link between pay and performance

As described above, Jupiter operates a Group-wide remuneration policy, which applies to all employees across the Group.

Jupiter ensures that any measurement of performance used to evaluate the quantum of variable remuneration elements or pools of variable remuneration elements:

- includes adjustments for current and future risks, taking into account the cost and quantity of the capital and the liquidity required;
- takes into account the need for consistency with the timing and likelihood of the firm receiving potential future revenues incorporated into current earnings;
- is based on the performance of the Group, the individual and the relevant function / business unit or in the case of a fund manager, the fund(s), where financial and non-financial criteria are considered when assessing individual performance; and
- is set within a multi-year framework to ensure that the assessment process is based on longer term performance and associated risks, and to ensure that payment is spread over an appropriate period.

## Remuneration Policy *(continued)*

### Material Risk Takers

The categories of staff for inclusion as Material Risk Takers for JUTM include:

- Executive and non-executive members of the Board
- Other members of senior management
- Staff responsible for control functions

The Material Risk Takers are identified and reviewed on an annual basis by the relevant entities and the RemCo in line with the criteria set out under EU regulations, namely:

If, in the performance of their professional activities certain staff of a delegate portfolio manager can have a material impact on the risk profiles of the funds they manage, these employees are considered as "Identified Staff". For this purpose, the Group considers the respective delegate portfolio manager as subject to equally effective regulation if they are required by law and regulations or in accordance with internal standards to put in place a remuneration policy, which in accordance to the ESMA Remuneration Guidelines is considered equivalent in its objectives. The Group's regulated entities will only delegate its portfolio management to firms, whose remuneration policy complies with the 'equivalence standard' as described.

In line with ESMA Guidelines, proportionality is considered taking into account the following factors:

- The percentage of assets under management;
- Total assets under management; and
- The average ratio between its fixed and variable remuneration paid to staff.

It should be noted that despite use of proportionality, the Group's compensation arrangements involve high levels of deferral, payment in shares and performance adjustment provisions on commercial and risk management grounds.

Further details in relation to the Qualitative disclosures are included in the Group Remuneration Policy.

## Remuneration Policy *(continued)*

### Quantitative disclosures

The remuneration data provided below reflects amounts paid in respect of the performance year 2022 in relation to the funds managed by JUTM.

As at 31 December 2022, JUTM had GBP 27.3 billion assets under management consisting of 34 authorised Unit Trust, 12 sub-funds within 2 Open-Ended Investment Companies and 2 Investment Trusts.

|  |             |
|--|-------------|
| Total annual remuneration paid to all Management Company employees (as per breakdown below): |             |
| Of which fixed:  | n/a         |
| Of which variable:   | n/a         |
| Number of Management Company employees:  |             |
| Total remuneration paid to Identified Staff of the Management Company:                       | £8,678,282  |
| Of which paid to Senior Management:  | £2,755,669  |
| Of which paid to other Identified Staff:   | £5,922,613  |
| Number of Identified Staff:  | 23          |
| Total annual remuneration paid to employees in delegate(s):                                  | £10,337,391 |
| Of which fixed:  | £1,344,131  |
| Of which variable:   | £8,993,260  |
| Number of beneficiaries:   | 6           |

### Notes

Remuneration for Material Risk Takers includes remuneration paid to employees of other group companies performing senior management functions for the Management Company.

Remuneration for Material Risk Takers includes remuneration paid to employees of other group companies who perform fund management activities on behalf of the Management Company under the terms of a delegation agreement between the Management Company and their employer. The remuneration disclosed for these employees is the proportion of their total remuneration for the fund management activities they perform under a delegation agreement.

In the figures above, fixed remuneration relates to salary and pension benefits and variable remuneration includes the annual bonus including any long-term incentive awards.

These disclosures are in line with Jupiter's interpretation of currently available regulatory guidance on quantitative remuneration disclosures. As market or regulatory practice develops Jupiter may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. Where such changes are made, this may result in disclosures in relation to a fund not being comparable to the disclosures made in the prior year, or in relation to other Jupiter fund disclosures in that same year.

Due to the increasing complexity of the business (i.e., Merian transaction), the information that is needed to provide a further breakdown of remuneration is not readily available and would not be relevant or reliable.

Implementation of the remuneration policy for the Group is subject to an annual independent review. No material outcomes or irregularities were identified as a result of the most recent independent review, which took place in 2022.

## Value Assessment

The Assessment of Value report for Jupiter Investment Management Series I, contained within a Composite Report on each of Jupiter's UK authorised funds is published annually on the Document Library at [www.jupiteram.com](http://www.jupiteram.com) within 4 months of the reference date 31 March.

## Appendix

### Cross Holdings

There were no cross holdings held by the sub-funds throughout the period to 31 July 2023 (31 July 2022 No cross holdings).

### Securities Financing Transactions Regulation Disclosure

The ACD is subject to the provisions of the European Regulation 2015/2365 on Reporting and Transparency of Securities Financing Transactions (the "SFTR"). The SFTR sets out certain disclosure requirements regarding the use of securities financing transactions ("SFTs") and total return swaps ("TRSs"). At present, the only fund which may use SFTs or TRSs is Jupiter UK Opportunities Fund. As at 31 July 2023 Jupiter UK Opportunities Fund did not hold any SFTs or TRSs.

## General Information

### Tax Information Reporting

UK tax legislation requires fund managers to provide information to HMRC on certain investors who purchase shares in unit trusts. Accordingly, the Fund may have to provide information annually to HMRC on the tax residencies of those shareholders that are tax resident out with the UK, in those countries that have signed up to the OECD's ('Organisation for Economic Cooperation and Development') Common Reporting Standard for Automatic Exchange of Financial Account Information (the 'Common Reporting Standard'), or the United States (under the Foreign Account Tax Compliance Act, 'FATCA').

All new shareholders that invest in the Fund must complete a certification form as part of the application form. Existing shareholders may also be contacted by the Registrar should any extra information be needed to correctly determine their tax residence.

Failure to provide this information may result in the account being reported to HMRC.

For further information, please see HMRC's Quick Guide: Automatic Exchange of Information - information for account holders: [gov.uk/government/publications/exchange-of-information-account-holders](http://gov.uk/government/publications/exchange-of-information-account-holders).

## General Information *(continued)*

### Advice to Shareholders

In recent years investment related scams have become increasingly sophisticated and difficult to spot. We are therefore warning all our shareholders to be cautious so that they can protect themselves and spot the warning signs.

Fraudsters will often:

- contact you out of the blue
- apply pressure to invest quickly
- downplay the risks to your money
- promise tempting returns that sound too good to be true
- say that they are only making the offer available to you
- ask you to not tell anyone else about it

You can avoid investment scams by:

- **Rejecting unexpected offers** – Scammers usually cold call but contact can also come by email, post, word of mouth or at a seminar. If you have been offered an investment out of the blue, chances are it's a high risk investment or a scam.
- **Checking the FCA Warning List** – Use the FCA Warning List to check the risks of a potential investment. You can also search to see if the firm is known to be operating without proper FCA authorisation.
- **Getting impartial advice** – Before investing get impartial advice and don't use an adviser from the firm that contacted you.

If you are suspicious, report it:

- You can report the firm or scam to the FCA by contacting their Consumer Helpline on **0800 111 6768** or using their online reporting form.
- If you have lost money in a scam, contact **Action Fraud** on **0300 123 2040** or **www.actionfraud.police.uk**

For further helpful information about investment scams and how to avoid them please visit **www.fca.org.uk/scamsmart**

### Responsible Stewardship

Jupiter believes that responsible stewardship is an important issue and aims to act in the best interests of all its stakeholders by engaging with the companies that it invests in, and by exercising its voting rights with care. We believe companies with high standards of corporate responsibility, governance and sustainable business practices create an appropriate culture to enhance good investment performance. **Jupiter's Corporate Governance and Voting Policy** and its compliance with the **UK Stewardship Code**, together with supporting disclosure reports are available at **www.jupiteram.com**.





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