



# JPMorgan UK Small Cap Growth & Income plc

(formerly JPMorgan UK Smaller  
Companies Investment Trust plc)

Half Year Report & Financial Statements  
for the six months ended 31st January 2024

# Key Features

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## Your Company at a Glance

### Combination with JPMorgan Mid Cap Investment Trust plc ('JMF')

On 27th February 2024, the Company's combination with JMF (the 'Transaction') was successfully completed. The Company acquired approximately £192.8 million of the net assets from JMF in consideration for the issue of 59,529,867 new ordinary shares in the capital of the Company ('Scheme Shares').

The Company's name has been changed to JPMorgan UK Small Cap Growth & Income plc and the ticker symbol of the shares has changed to JUGI.

### Investment Objective

Capital growth from UK listed smaller companies.

### Investment Policies

- To provide capital appreciation for Shareholders through investment in a diversified portfolio of UK listed smaller companies, emphasising capital growth.
- Liquidity and borrowings are managed with the aim of increasing returns to shareholders.
- Further details on the investment policy and risk management are contained in the Strategic Report in the Company's 2023 Annual Report on page 25.

### Dividend Policy

Following completion of the Transaction, the Company has introduced an enhanced dividend policy which aims to pay, in the absence of unforeseen circumstances, an annual dividend equivalent to 4% of the Company's NAV on the last business day of the preceding financial year. The Company will move from a final annual dividend to equal quarterly interim dividends, to be announced in August, November, February and May and expected to be paid in October, January, April and July each year.

### Gearing

A flexible £50 million borrowing facility is in place and available for the Portfolio Managers to utilise within guidelines set by the Board. At 31st January 2024, £27 million was drawn down on the facility with the gearing level being 9.9% at that date.

### Benchmark

The Numis Smaller Companies plus AIM (excluding Investment Companies) Index.

### Capital Structure

- UK Domiciled.
- Premium listing on the London Stock Exchange.
- As at 31st January 2024, the Company's share capital comprised 79,611,410 ordinary shares of 5p each, including 1,709,741 shares held in Treasury. Following completion of the Transaction and the issue of the Scheme Shares, as at 27th February 2024, the Company's share capital comprised 137,431,536 ordinary shares (excluding treasury shares) with each ordinary share entitled to one voting right, and an additional 1,709,741 ordinary shares held in Treasury.

### Continuation Vote

In accordance with the Company's Articles of Association, the Directors are required to propose an ordinary resolution that the Company shall continue in existence at the Annual General Meeting in 2026 and in every third year thereafter.

## FINANCIAL CALENDAR

Financial year end	31st July
Final results announced	October
Half year end	31st January
Half year results announced	March
Dividend on ordinary shares paid	October/January/April/July
Annual General Meeting	November/December

### Management Company and Company Secretary

The Company employs JPMorgan Funds Limited ('JPMF' or the 'Manager') as its Alternative Investment Fund Manager and Company Secretary. JPMF delegates the management of the Company's portfolio to JPMorgan Asset Management (UK) Limited ('JPMAM').

### Association of Investment Companies ('AIC')

The Company is a member of the AIC.

### Website

The Company's website, which can be found at [www.jpmorganuksmallcapgrowthandincomeplc.com](http://www.jpmorganuksmallcapgrowthandincomeplc.com), includes useful information on the Company, such as daily prices, factsheets and current and historic half year and annual reports.

### Contact the Company

General enquiries about the Company should be directed to the Company Secretary at [invtrusts.cosec@jpmorgan.com](mailto:invtrusts.cosec@jpmorgan.com).

### Keeping in Touch

The Board and the Portfolio Managers are keen to increase dialogue with shareholders and other interested parties. If you wish to sign up to receive email updates from the Company, including news and views and latest performance statistics, please scan the QR Code to the right or visit <https://tinyurl.com/JUGI-Subscribe>



## Key Features



The Company provides access to the large, diverse and dynamic smaller companies arena, full of exciting opportunities across a broad range of sectors. There are many examples of companies that are leaders in the niche they operate in and some of these will potentially go on to become the large-cap companies of tomorrow.”

Georgina Brittain, Portfolio Manager,  
JPMorgan UK Small Cap Growth & Income plc



Following an extended period of negative market sentiment surrounding the UK, recent macro data has been better than expected. Companies and consumers continue to be resilient and valuations in the small cap space relative to other markets and history remain incredibly low. We believe this leaves the smaller companies index very well placed to deliver strong long-term returns. ”

Katen Patel, Portfolio Manager,  
JPMorgan UK Small Cap Growth & Income plc



## It's the small things that strengthen our economy

### Why Invest in UK Smaller Companies

Small company investors tend to have a natural growth bias; however, there are many small cap UK companies offering good value. The UK is currently undervalued relative to both historical levels and international markets and, within the UK, small cap stocks are cheap relative to large caps.

While they can be more volatile than large cap stocks, small companies have the potential to grow despite a difficult economic backdrop and, over the long term, they deliver higher returns than larger companies. They also give Shareholders access to different sector exposure from large cap companies, therefore providing diversification benefits. Finding the right companies requires depth of resource as it is a stock picker's market. This plays to the Portfolio Managers' strengths as bottom-up investors.

### Why JPMorgan UK Small Cap Growth & Income plc

The Company aims to give investors access to the fast growing, innovative smaller companies that help drive the UK domestic economy. The Company's benchmark is the Numis Smaller Companies plus AIM (excluding Investment Companies) Index which comprises the smallest 1,000 UK companies by market cap, covering fledgling and AIM stocks as well as the lower end of the FTSE 250 (ex Investment Trusts) Index.

The Company is managed by a team dedicated to finding the most attractive, high-quality companies from this broad and diversified universe. The Portfolio Managers follow a distinctive bottom-up investment process that focuses on stock characteristics with a robust, disciplined process to manage the risks of smaller company investing.

The Board believes that the successful completion of the Transaction will allow Shareholders to benefit from continued exposure to the UK Smaller Companies investment strategy, the greater economies of scale that are expected to result from the enlarged asset base and lower management fees. Shareholders will also benefit from an enhanced dividend policy, whereby the Company will move from a final annual dividend to equal quarterly interim dividends. Although the enhanced dividend policy will represent a significant increase in dividend yield for Shareholders, the Company and the Manager will continue to implement the same investment approach as the annual income earned from investments is expected to be enhanced by a payment from revenue reserves and if required capital profits.

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## Financial Highlights

## Total returns (including dividends reinvested) to 31st January 2024

	6 Months	1 Year	3 Year Cumulative	5 Year Cumulative	10 Year Cumulative
Return to shareholders <sup>1A</sup>	+8.2%	+3.0%	-4.1%	+57.8%	+116.9%
Return on net assets <sup>2A</sup>	+8.5%	+4.4%	+0.9%	+54.8%	+105.7%
Benchmark return <sup>3</sup>	+1.0%	-3.3%	-5.5%	+15.7%	+45.7%
Return on net assets compared to benchmark return <sup>3</sup>	+7.5%	+7.7%	+6.4%	+39.1%	+60.0%
Pre-completion dividend <sup>4</sup>	3.60p				

<sup>1</sup> Source: Morningstar.

<sup>2</sup> Source: Morningstar/J.P. Morgan, using cum income net asset value per share.

<sup>3</sup> Source: Morningstar. The Company's benchmark is the Numis Smaller Companies plus AIM Index (excluding Investment Companies). Prior to 1st January 2019, the Company's benchmark was the FTSE Small Cap Index (excluding Investment Trusts). The benchmark index returns quoted above for five and ten year cumulative returns are a time-weighted composite of the two indices.

<sup>4</sup> As disclosed in the Circular dated 23rd January 2024 issued by the Company in connection with the combination with JPMorgan Mid Cap Investment Trust plc, the Company paid a pre-completion dividend of 3.60 pence per share to Shareholders on 27th February 2024.

<sup>A</sup> Alternative Performance Measure ('APM').

A glossary of terms and APMs is provided on pages 30 and 31.

## Financial Highlights

### Summary of results

	31st January 2024	31st July 2023	% change
Shareholders' funds (£'000)	255,103	242,204	+5.3
Net asset value per share <sup>A</sup>	327.5p	310.3p	+5.5 <sup>1</sup>
Share price	290.0p	277.0p	+4.7 <sup>2</sup>
Share price discount to net asset value per share <sup>A</sup>	(11.5)%	(10.7)%	
Shares in issue, excluding shares held in Treasury	77,901,669	78,051,669	
<b>Gearing<sup>A</sup></b>	<b>9.9%</b>	<b>9.5%</b>	
<b>Ongoing charges<sup>A</sup></b>	<b>0.85%<sup>3</sup></b>	<b>1.02%</b>	

<sup>1</sup> This return excludes dividends reinvested. Including dividends reinvested the return would be +8.5%.

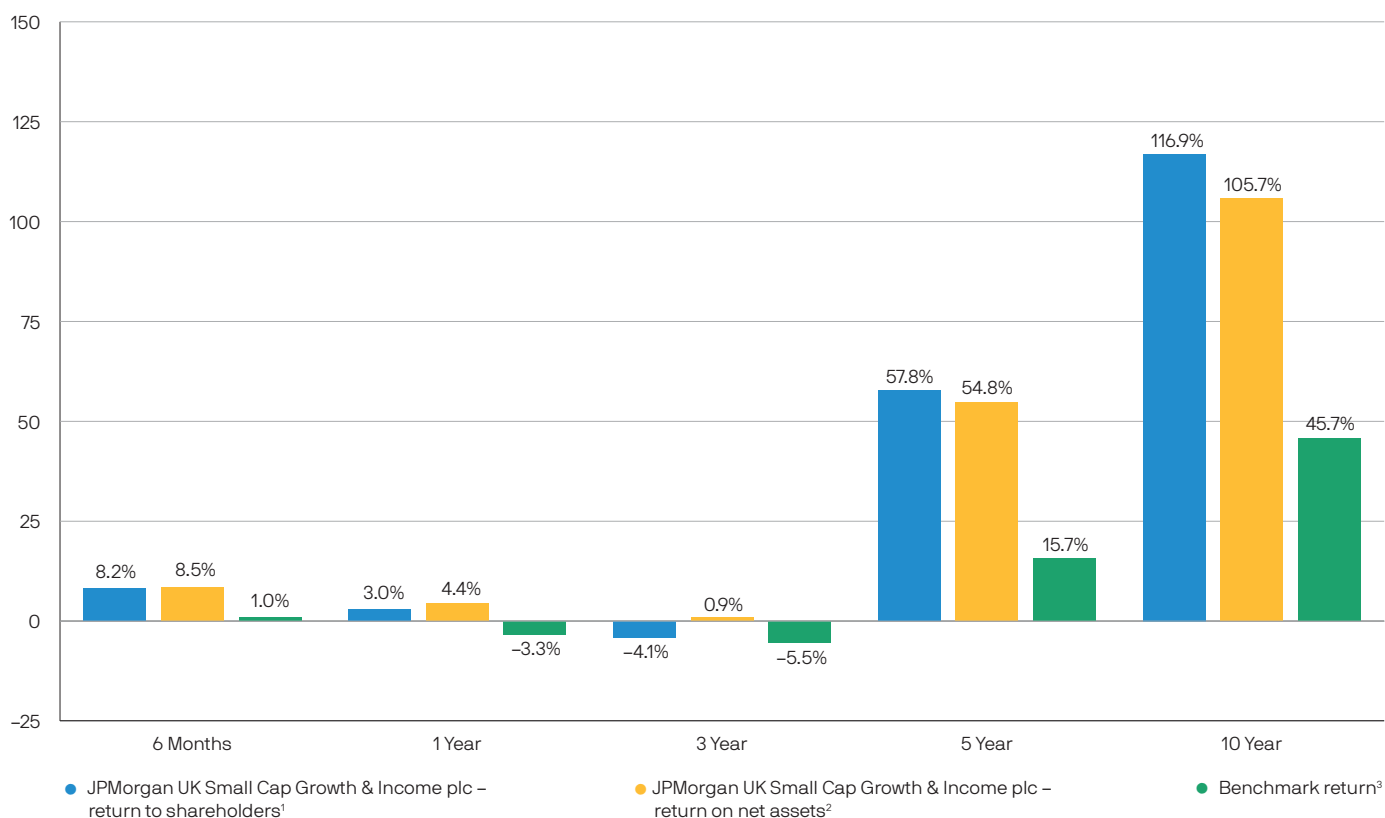
<sup>2</sup> This return excludes dividends reinvested. Including dividends reinvested the return would be +8.2%.

<sup>3</sup> The ongoing charge is based on the Company's annualised half year costs prior to the combination with JPM Mid Cap Investment Trust plc. The above calculation does not consider the reduction in management fees following the combination. The ongoing charge is estimated to be 0.77% following the combination.

<sup>A</sup> Alternative Performance Measure ('APM').

A glossary of terms and of APMs is provided on pages 30 and 31.

### Cumulative performance (total returns) to 31st January 2024



<sup>1</sup> Source: Morningstar.

<sup>2</sup> Source: Morningstar/J.P. Morgan, using cum income net asset value per share.

<sup>3</sup> Source: Morningstar. The Company's benchmark is the Numis Smaller Companies plus AIM Index (excluding Investment Companies). Prior to 1st January 2019, the Company's benchmark was the FTSE Small Cap Index (excluding Investment Trusts). The benchmark index returns quoted above for five and ten year cumulative returns are a composite of the two indices.





## Chairman's Statement



**Andrew Impey**  
Chairman

### Investment Performance and Overview

Your Company has had an eventful six months, enjoying continued good performance and the successful combination with JPMorgan Mid Cap Investment Trust plc which was completed post the period end. Your Board wishes to thank all those involved for their considerable efforts, not least your Portfolio Managers.

Despite continued market volatility, I am pleased to report that the Company's total return on net assets (with net dividends reinvested) over the six months to 31st January 2024 of +8.5% outperformed the benchmark, Numis Smaller Companies plus AIM (excluding Investment Companies) Index, which returned +1.0%. This strong outperformance relative to the benchmark index is explained in the Investment Manager's Report which provides a detailed commentary on the portfolio positioning and the current outlook for investing in the UK. The return to shareholders for the reporting period was +8.2% which reflects a marginal widening of the share price discount to net asset value from 10.7% at the start of the financial year to 11.5% at the end of the half year.

Following the Company's successful combination with JPMorgan Mid Cap Investment Trust plc ('JMF') ('the Transaction'), the unaudited net assets of the enlarged Company total approximately £447.0 million as at 29th February 2024. Since the end of the reporting period, from 31st January 2024 to 20th March 2024, the Company's total return on net assets was +2.8%, outperforming the Company's benchmark index which fell by 0.8%. Over the same period, the Company delivered a return to ordinary shareholders of +1.1% as the discount widened.

### Loan Facility and Gearing

During the reporting period, the Company continued to utilise its £50 million revolving credit facility (with an option to draw a further £10 million) to maintain a meaningful but modest level of gearing.

The Company has maintained a fairly constant level of gearing, with the Board giving the Portfolio Managers flexibility to adjust the gearing tactically within a range set by the Board of 10% net cash to 15% geared in normal markets. During the reporting period, the Company's gearing ranged from 8.7% to 11.9%, ending the half year at 9.9% as the Portfolio Managers took advantage of perceived attractive valuations. Following the Transaction, on 29th February 2024 the Portfolio Managers increased the total borrowings drawn to £50 million. A new secured £50 million 364 day loan facility was effective from 14th March 2024 (with an increased accordion option of £40 million). As at 20th March 2024 the Company's gearing was 8.7%, with total borrowings of £50 million.

### Share Repurchases and Issuance

During the six months to 31st January 2024, the Company repurchased 150,000 shares into Treasury. The Company did not issue any shares. The Board's objective remains to act in the best interests of Shareholders by using the repurchase and allotment authorities to manage imbalances between the supply and demand of the Company's shares with the intention of reducing the volatility of the discount or premium in normal market conditions. As at the end of the reporting period there were 79,611,410 shares in issue (including 1,709,741 shares held in Treasury).

Following the Transaction, the Company acquired approximately £192.8 million of the net assets from JMF in consideration for the issue of 59,529,867 new ordinary shares in the capital of the Company. Therefore, the Company's shares in issue have increased to 139,141,277 (including 1,709,741 shares held in Treasury).

### Dividends

At the Company's Annual General Meeting ('AGM') in November 2023, Shareholders approved a final dividend of 7.7p per share which was paid on 7th December 2023.

Since the end of the reporting period and in relation to the Transaction, an interim dividend ('pre-completion dividend') of 3.6p per share was paid to Shareholders of JPMorgan UK Smaller Companies Investment Trust plc on 27th February 2024 (ex-dividend 1st February 2024).

As detailed in the Company's Circular, in May 2024, the Company will announce an additional interim dividend equivalent to 2% of the unaudited NAV of the enlarged Company as at the date of Admission (28th February 2024), which is expected to be paid to Shareholders in July 2024.

## Chairman's Statement

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Furthermore, the Company will introduce an enhanced dividend policy, targeting a 4% yield on the NAV per annum, calculated on the basis of 4% of audited NAV as at 31st July each year, being the end of the preceding financial year of the Company. Under the enhanced dividend policy, the Company will move from paying a final annual dividend to equal quarterly interim dividends, to be announced in August, November, February and May and expected to be paid in October, January, April and July each year.

### Combination with JMF and change of name

Following the period end, the Company successfully completed the merger with JPMorgan Mid Cap Investment Trust plc and was renamed JPMorgan UK Small Cap Growth & Income plc. The transaction was well received by Shareholders and the wider market, recognising the logic of creating a larger, more liquid Investment Trust and creating a leading investment vehicle for UK smaller companies. The Company's benchmark, the Numis Smaller Companies plus AIM (excluding Investment Companies) Index, comprises the smallest 1,000 UK companies by market cap, covering fledgling and AIM stocks as well as the lower end of the FTSE 250 (ex Investment Trusts) Index thus providing exposure to a diverse and wide range of fast growing, innovative companies that help drive the UK economy. As a result, Shareholders will now benefit from a reduction in costs, contributing to the good potential for capital growth, and the new enhanced dividend policy, which will allow Shareholders to benefit from an attractive yield. The transitioning of the portfolio went smoothly and is now largely complete. Pleasingly, the portfolio continued to outperform the benchmark during the transition despite the higher transaction costs caused by the merger implementation.

### Board Succession

Following the Transaction, three of the previous Directors of JMF, being Lisa Gordon, Richard Gubbins and Hannah Philp, were appointed as non-executive Directors of the Company. Therefore, the Board now consists of seven Directors, comprising the four Directors from the existing Board and three Directors from the board of JMF. Richard Gubbins will be retiring from the Board at the Company's next AGM. As previously announced, I will also be retiring from the Board following the next AGM after having served on the Board from 2015 and as its Chairman since 2019. This will reduce the Board to five Directors.

In accordance with the FCA's new policy on diversity, the Board currently complies with the gender recommendation and is committed to increasing diversity and inclusion over time.

### Outlook

Equity markets enjoyed a welcome rally at the turn of the year though the stellar returns came from the USA where the so called 'Magnificent 7' (AI related stocks) accounted for the majority of the return. As a result, investors in funds that tracked the S&P 500 did considerably better than actively managed funds which would not typically be able to match the index weight. This very narrow leadership harps back to the days of the 'nifty fifty' and some stock valuations are arguably beginning to look extended.

In the UK, the market experience is the polar opposite. Smaller companies, and the stock market in general, continue to be deeply out of favour with investors. Whilst the attractive valuation is generally acknowledged, investors are content with sitting on the sidelines awaiting a catalyst. Indeed, the market is still experiencing net outflows. If the government is serious in its stated intention to boost investment in UK plc and provide a catalyst, it will have to do considerably more than the modest measures announced in the budget and encourage greater investment from pension funds whose considerable fire power could make a difference.

In the meantime, your Portfolio Managers are invested in a broad range of high quality stocks which have the potential to deliver superior returns. Your Board believes that there is a strong case for long-term investment in UK smaller and midcap companies. The valuations are attractive in absolute and relative terms, there are diversification benefits, the outlook remains favourable despite some near-term challenges and the Company provides access to investments in a controlled risk environment that individual investors would find difficult to replicate on their own.

**Andrew Impey**  
Chairman

22nd March 2024



## Investment Manager's Report

### Performance and Market Background

Geopolitical uncertainties continued to increase in the first half of the financial year to 31st January 2024. In addition to the appalling war in Ukraine, we must now add the recent atrocities in the Middle East, and rising tension in that region. The US economy continued to power ahead, but the UK did not manage to avoid a technical recession in the last two quarters of 2023; for technical, read mild, as during 2023 the country flatlined with GDP growth of 0.1%. Interest rates remained unchanged at 5.25%, but inflation reduced significantly, although it still remains uncomfortably above target. This, plus the decline in energy prices and the increase in nominal wages, provided some relief for the consumer, as did the ongoing resilience of the employment market.

Against this backdrop, the Numis Smaller Companies plus AIM (excluding Investment Companies) Index was almost flat overall at +1.0% for the six month period. It should be noted that this hides a strong rally of over 13.1% in the index from November to January, as inflation appeared to be coming under control and the stockmarket began to focus on rate cuts. Your Company strongly outperformed during the period and produced a total return on net asset value of +8.5%, while the share price total return was +8.2%.

### Portfolio

Continuing the strong performance that benefitted your Company last year, the two largest positive contributors over the half year were the sizeable positions in Bank of Georgia (one of the two dominant banks in the flourishing economy of Georgia) and Ashtead Technology (subsea rental equipment into the oil and gas and renewables markets). Both companies continued to grow significantly and produce strong results ahead of market expectations. In addition, we benefitted from a number of other holdings including Warpaint London (affordable cosmetics) and the buy-to-let mortgage lender OSB (formerly OneSavings Bank), which rebounded strongly post its disappointment in the summer. On the negative side there were two main detractors, Watches of Switzerland and Alpha Group International. Fortunately we had significantly reduced the former prior to its January profit warning, and have subsequently exited. With regards to Alpha Group International, after a very strong 2023 the shares have retrenched. We took some profits, but retain a sizeable position in this long term growth story.

Over the period we have made certain changes to the portfolio. There have been a number of new additions, as we continue to find exciting and undervalued investment opportunities. These include Hostelworld (the leading online travel agent for hostels), Keystone Law (an innovative law firm) and in the building arena, the housebuilder MJ Gleeson and Volution, which supplies ventilation products to the building industry. Over the period we also sold out of certain holdings including H&T, Calnex and SDI on concerns over current trading. Ergomed also left the portfolio post its bid.

At the time of writing this report, the merger with JPMorgan Mid Cap Investment Trust has now taken place. In addition to the holdings that were owned in both portfolios, we transferred eight new names into the combined vehicle, as well as the proceeds from the disposals we made in the Mid Cap Investment Trust prior to the merger. New names include Bellway (a leading UK housebuilder), Shaftesbury Capital (central London focused REIT), Serco (global outsourcing service provider) and Virgin Money (a challenger bank), which has just received a bid approach from Nationwide. Subsequent to the merger, we have been deploying those proceeds to align the combined portfolio with our strategy, and the process is almost complete. We are utilising the enlarged gearing facilities that were introduced post the merger. Eight of our current top ten holdings remain as before, but we have chosen to take advantage of the merger to reduce two of our largest positions on valuation grounds. Our strategy remains unchanged, but investors will now also benefit from reduced fees and an enhanced dividend policy.

### ESG Engagement

As part of our investment process, our team meets companies to scrutinise their strategy and operational performance; these meetings are also an opportunity to engage with companies on ESG issues. One of the engagements we had during the period under review was with Dunelm, the homewares retailer, on its operational performance and sustainability issues. Our discussion focused on the key topics of cybersecurity, living wage, gender pay gap and responsible sourcing. We had previously asked the company for full disclosure on its cybersecurity framework and it has since further developed its IT security governance and recruited to increase this capability. It was



**Georgina Brittain**  
Portfolio Manager



**Katen Patel**  
Portfolio Manager

## Investment Manager's Report

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encouraging to see the progress the company has made in identifying vulnerabilities and uplifting its framework around these risks. In relation to wages and the gender pay gap, we had previously asked for additional disclosures relating to fair pay, and this has been clearly articulated within their latest sustainability report.

The company has also revised its pay structure and is especially sensitive to this in relation to its lowest paid employees whose financial situation may be more impacted by the escalation of living costs. In addition we asked the company to explain progress regarding long-term targets on responsible sourcing and incorporating a decarbonisation plan and its plans for own brand cotton to be sourced as 'responsible cotton' by 2024. The company confirmed such programmes were in place and it is making progress in terms of expanding its Product Quality & Sustainability team by recruiting two environmental specialists. We were pleased to see the progress Dunelm has made with many identified topics having been revised/issues solved. We will continue to engage with the company.

### Outlook

With all the appalling events going on globally, imminent elections bringing potential changes in the US and UK, and a turgid UK economy, it is all too easy to be gloomy about prospects. While the average GDP growth forecast for 2024 is a modest 0.4% in the UK, inflation is predicted to end the year just above target at 2.2%, and the market is expecting interest rates cuts during the year. Add to this low levels of unemployment, stable house prices, declining energy costs, rising real wages helped by National Insurance cuts, the imminent rise in the National Living Wage and prospects appear brighter.

The UK is predominantly a services economy, so the health of the consumer is crucial. The overall resilience of the consumer since the outbreak of the war in Ukraine has been little short of astonishing, given the numerous financial headwinds. The most recent Gfk consumer confidence survey demonstrates a notable rebound in individuals' views on their personal financial situation, and the services PMI (Purchasing Managers' Indices) data of 53.4 suggests an expanding economy. We do not want to get carried away by these and other positive data points, but it does appear that both consumers and companies are adapting to the reality of higher interest rates.

As ever, our focus is on the companies themselves. Overall the message we are hearing from our holdings is a positive one. Many smaller companies have continued successfully to navigate their way through the headwinds of cost inflation, wage inflation, labour shortages and higher interest costs. Additionally, M&A continues apace, as acquirers recognise the value that is on offer. In addition to the bid for our holding in Ergomed, Equals Group is in receipt of ongoing interest, and post period end we received a bid for the housebuilder Redrow by its larger competitor Barratt Developments.

We continue to find exciting and undervalued (and often fairly unknown) investment opportunities within our broad and diverse universe, some of which we have detailed above. The current gearing level of just under 10% reflects our confidence in the compelling opportunities and valuations currently available.

**Georgina Brittain**  
**Katen Patel**  
Portfolio Managers

22nd March 2024

## List of Investments

## List of Investments

As at 31st January 2024

Company	Valuation £'000	%	Company	Valuation £'000	%
<b>Consumer Discretionary</b>			<b>Industrials continued</b>		
4imprint	9,572	3.4	Keystone Law	1,896	0.7
Jet2 <sup>1</sup>	8,417	3.0	Fonix Mobile <sup>1</sup>	1,737	0.6
Warpaint London <sup>1</sup>	6,764	2.4	Alpha Financial Markets Consulting <sup>1</sup>	1,580	0.6
Redrow	6,688	2.4	Galliford Try Holdings	1,316	0.5
Dunelm	5,788	2.1	Science <sup>1</sup>	1,261	0.4
Next Fifteen Communications <sup>1</sup>	5,315	1.9	Avingtrans <sup>1</sup>	864	0.3
Mitchells & Butlers	5,009	1.8		<b>61,839</b>	<b>22.1</b>
Hollywood Bowl	4,007	1.4	<b>Financials</b>		
Card Factory	3,615	1.3	Bank of Georgia	11,370	4.1
Vistry	3,614	1.3	OSB	8,104	2.9
Trainline	3,502	1.2	Alpha Group International	7,838	2.8
Bloomsbury Publishing	3,172	1.1	TBC Bank	4,220	1.5
MJ Gleeson	2,761	1.0	XPS Pensions	3,550	1.3
YouGov	2,668	1.0	Paragon Banking	3,412	1.2
Wilmington	2,521	0.9	Tatton Asset Management <sup>1</sup>	3,245	1.2
CVS <sup>1</sup>	2,363	0.8	Bank of Cyprus	3,035	1.1
Games Workshop	1,881	0.7	Mortgage Advice Bureau Holdings <sup>1</sup>	2,884	1.0
Future	1,822	0.6	Polar Capital Holdings <sup>1</sup>	2,041	0.7
Hostelworld	1,766	0.6		<b>49,699</b>	<b>17.8</b>
M&C Saatchi <sup>1</sup>	1,406	0.5	<b>Technology</b>		
Rank	1,056	0.4	Cerillion <sup>1</sup>	9,106	3.2
Sanderson Design <sup>1</sup>	944	0.3	Bytes Technology	8,239	2.9
Watches of Switzerland	456	0.2	Moneysupermarket.com	3,218	1.1
	<b>85,107</b>	<b>30.3</b>	Ascential	2,833	1.0
<b>Industrials</b>			Computacenter	1,973	0.7
Judges Scientific <sup>1</sup>	8,574	3.1	Baltic Classifieds Group	1,903	0.7
Equals <sup>1</sup>	5,635	2.0	IQGEO Group	1,104	0.4
Morgan Sindall	4,756	1.7	accesso Technology <sup>1</sup>	545	0.2
Mitie	3,519	1.3	Big Technologies <sup>1</sup>	85	-
Keller	3,409	1.2		<b>29,006</b>	<b>10.2</b>
Oxford Instruments	3,219	1.1	<b>Energy</b>		
Bodycote	2,932	1.0	Ashtead Technology <sup>1</sup>	12,899	4.6
Elixirr International <sup>1</sup>	2,858	1.0	Serica Energy <sup>1</sup>	6,062	2.2
Clarkson	2,840	1.0	Hunting	4,805	1.7
Chemring	2,693	1.0	Energear	1,938	0.7
Morgan Advanced Materials	2,412	0.9	Gulf Marine Services	537	0.2
Volution	2,286	0.8		<b>26,241</b>	<b>9.4</b>
Johnson Service	2,151	0.8	<b>Consumer Staples</b>		
Voilex <sup>1</sup>	2,024	0.7	Premier Foods	9,322	3.3
Solid State <sup>1</sup>	1,968	0.7	Kitwave <sup>1</sup>	1,403	0.5
Macfarlane	1,909	0.7		<b>10,725</b>	<b>3.8</b>

## List of Investments

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### List of Investments continued

Company	Valuation £'000	%
<b>Health Care</b>		
hVIVO <sup>1</sup>	3,011	1.1
NIOX <sup>1</sup>	2,197	0.8
Indivior	1,663	0.6
	<b>6,871</b>	<b>2.5</b>
<b>Basic Materials</b>		
Hill & Smith	3,654	1.3
Central Asia Metals <sup>1</sup>	1,413	0.5
	<b>5,067</b>	<b>1.8</b>
<b>Real Estate</b>		
Workspace	2,584	0.9
Urban Logistics REIT	1,077	0.4
Palace Capital	928	0.3
	<b>4,589</b>	<b>1.6</b>
<b>Telecommunications</b>		
Telecom Plus	1,309	0.5
	<b>1,309</b>	<b>0.5</b>
<b>Total Investments<sup>1</sup></b>	<b>280,453</b>	<b>100.0</b>

<sup>1</sup> AIM listed, totalling 31.2% of total investments (31st July 2023: 44.2%).



## Portfolio Analysis

Sector	31st January 2024		31st July 2023	
	Portfolio	Benchmark	Portfolio	Benchmark
	% <sup>1</sup>	%	% <sup>1</sup>	%
Consumer Discretionary	30.3	18.6	28.3	20.8
Industrials	22.1	22.9	22.5	21.9
Financials	17.7	16.1	19.2	16.6
Technology	10.3	9.6	10.8	9.9
Energy	9.4	5.1	8.1	4.8
Consumer Staples	3.8	4.9	3.6	5.2
Health Care	2.5	5.4	3.2	3.9
Basic Materials	1.8	7.7	1.7	8.0
Real Estate	1.6	6.3	1.7	6.4
Telecommunications	0.5	2.6	0.9	1.6
Utilities	—	0.8	—	0.9
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

<sup>1</sup> Based on total investments of £280.5m (31st July 2023: £265.2m).



## Condensed Statement of Comprehensive Income

	(Unaudited) Six months ended 31st January 2024			(Unaudited) Six months ended 31st January 2023			(Audited) Year ended 31st July 2023		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains/(losses) on investments held at fair value through profit or loss	—	17,756	17,756	—	(4,427)	(4,427)	—	(17,843)	(17,843)
Net foreign currency gains/(losses)	—	—	—	—	3	3	—	(2)	(2)
Income from investments	3,375	—	3,375	2,848	—	2,848	8,515	—	8,515
Interest receivable and similar income	117	—	117	67	—	67	152	—	152
<b>Gross return/(loss)</b>	<b>3,492</b>	<b>17,756</b>	<b>21,248</b>	<b>2,915</b>	<b>(4,424)</b>	<b>(1,509)</b>	<b>8,667</b>	<b>(17,845)</b>	<b>(9,178)</b>
Management fee	(229)	(534)	(763)	(289)	(674)	(963)	(581)	(1,356)	(1,937)
Other administrative expenses	(248)	—	(248)	(288)	—	(288)	(559)	—	(559)
<b>Net return/(loss) before finance costs and taxation</b>	<b>3,015</b>	<b>17,222</b>	<b>20,237</b>	<b>2,338</b>	<b>(5,098)</b>	<b>(2,760)</b>	<b>7,527</b>	<b>(19,201)</b>	<b>(11,674)</b>
Finance costs	(288)	(672)	(960)	(140)	(327)	(467)	(344)	(803)	(1,147)
<b>Net return/(loss) before taxation</b>	<b>2,727</b>	<b>16,550</b>	<b>19,277</b>	<b>2,198</b>	<b>(5,425)</b>	<b>(3,227)</b>	<b>7,183</b>	<b>(20,004)</b>	<b>(12,821)</b>
Taxation	—	—	—	(15)	—	(15)	(36)	—	(36)
<b>Net return/(loss) after taxation</b>	<b>2,727</b>	<b>16,550</b>	<b>19,277</b>	<b>2,183</b>	<b>(5,425)</b>	<b>(3,242)</b>	<b>7,147</b>	<b>(20,004)</b>	<b>(12,857)</b>
<b>Return/(loss) per share (note 3)</b>	<b>3.50p</b>	<b>21.22p</b>	<b>24.72p</b>	<b>2.80p</b>	<b>(6.95)p</b>	<b>(4.15)p</b>	<b>9.16p</b>	<b>(25.63)p</b>	<b>(16.47)p</b>

All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued in the period.

The 'Total' column of this statement is the profit and loss account of the Company and the 'Revenue' and 'Capital' columns represent supplementary information prepared under guidance issued by the Association of Investment Companies.

The net return after taxation represents the profit or loss for the period and also the total comprehensive income.

## Condensed Statement of Changes in Equity

	Called up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Capital reserves <sup>1</sup> £'000	Revenue reserve <sup>1</sup> £'000	Total £'000
<b>Six months ended 31st January 2024 (Unaudited)</b>						
At 31st July 2023	3,981	25,895	2,903	200,244	9,181	242,204
Repurchase of shares into Treasury	—	—	—	(368)	—	(368)
Net return	—	—	—	16,550	2,727	19,277
Dividend paid in the period (note 4)	—	—	—	—	(6,010)	(6,010)
<b>At 31st January 2024</b>	<b>3,981</b>	<b>25,895</b>	<b>2,903</b>	<b>216,426</b>	<b>5,898</b>	<b>255,103</b>
<b>Six months ended 31st January 2023 (Unaudited)</b>						
At 31st July 2022	3,981	25,895	2,903	220,248	7,420	260,447
Net (loss)/return	—	—	—	(5,425)	2,183	(3,242)
Dividend paid in the period (note 4)	—	—	—	—	(5,386)	(5,386)
<b>At 31st January 2023</b>	<b>3,981</b>	<b>25,895</b>	<b>2,903</b>	<b>214,823</b>	<b>4,217</b>	<b>251,819</b>
<b>Year ended 31st July 2023 (Audited)</b>						
At 31st July 2022	3,981	25,895	2,903	220,248	7,420	260,447
Net (loss)/return	—	—	—	(20,004)	7,147	(12,857)
Dividend paid in the year (note 4)	—	—	—	—	(5,386)	(5,386)
<b>At 31st July 2023</b>	<b>3,981</b>	<b>25,895</b>	<b>2,903</b>	<b>200,244</b>	<b>9,181</b>	<b>242,204</b>

<sup>1</sup> Revenue reserve and part of the Capital reserves form the distributable reserves of the Company and may be used to fund distribution of profits to Shareholders. In respect of the Capital reserves, £66,628,000 relates to net investment holding gains that are not distributable.

## Condensed Statement of Financial Position

	(Unaudited) At 31st January 2024 £'000	(Unaudited) At 31st January 2023 £'000	(Audited) At 31st July 2023 £'000
<b>Fixed assets</b>			
Investments held at fair value through profit or loss	280,453	271,061	265,249
<b>Current assets</b>			
Debtors	681	647	705
Cash and cash equivalents	4,226	2,345	4,027
	<b>4,907</b>	<b>2,992</b>	<b>4,732</b>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	(30,257)	(22,234)	(27,777)
<b>Net current liabilities</b>	<b>(25,350)</b>	<b>(19,242)</b>	<b>(23,045)</b>
<b>Total assets less current liabilities</b>	<b>255,103</b>	<b>251,819</b>	<b>242,204</b>
<b>Net assets</b>	<b>255,103</b>	<b>251,819</b>	<b>242,204</b>
<b>Capital and reserves</b>			
Called up share capital	3,981	3,981	3,981
Share premium	25,895	25,895	25,895
Capital redemption reserve	2,903	2,903	2,903
Capital reserves	216,426	214,823	200,244
Revenue reserve	5,898	4,217	9,181
<b>Total Shareholders' funds</b>	<b>255,103</b>	<b>251,819</b>	<b>242,204</b>
<b>Net asset value per share (note 5)</b>	<b>327.5p</b>	<b>322.6p</b>	<b>310.3p</b>

Company registration number : 2515996.

## Condensed Statement of Cash Flows

	(Unaudited) Six months ended 31st January 2024 £'000	(Unaudited) Six months ended 31st January 2023 <sup>1</sup> £'000	(Audited) Year ended 31st July 2023 £'000
<b>Cash flows from operating activities</b>			
Net return/(loss) before finance costs and taxation	20,237	(2,760)	(11,674)
Adjustment for:			
Net (gains)/losses on investments held at fair value through profit or loss	(17,756)	4,427	17,843
Net foreign currency (gains)/losses	—	(3)	2
Dividend income	(3,375)	(2,821)	(8,488)
Interest income	(117)	(67)	(152)
Scrip Dividends received as income	—	(27)	(27)
Realised losses/(gains) on foreign exchange transactions	—	3	(2)
Increase in accrued income and other debtors	(2)	(38)	(6)
(Decrease)/increase in accrued expenses	(60)	(21)	68
<b>Net cash outflow from operations before dividends and interest</b>	<b>(1,073)</b>	<b>(1,307)</b>	<b>(2,436)</b>
Dividends received	3,799	3,432	8,505
Interest received	117	77	162
<b>Net cash inflow from operating activities</b>	<b>2,843</b>	<b>2,202</b>	<b>6,231</b>
Purchases of investments	(31,171)	(43,844)	(92,884)
Sales of investments	35,903	44,132	85,485
<b>Net cash inflow/(outflow) from investing activities</b>	<b>4,732</b>	<b>288</b>	<b>(7,399)</b>
Dividends paid	(6,010)	(5,386)	(5,386)
Repayment of bank loan	—	(4,000)	(6,000)
Drawdown of bank loan	—	—	8,000
Repurchase of shares into Treasury	(368)	—	—
Interest paid	(998)	(409)	(1,069)
<b>Net cash outflow from financing activities</b>	<b>(7,376)</b>	<b>(9,795)</b>	<b>(4,455)</b>
<b>Increase/(decrease) in cash and cash equivalents</b>	<b>199</b>	<b>(7,305)</b>	<b>(5,623)</b>
Cash and cash equivalents at start of period/year	4,027	9,650	9,650
<b>Cash and cash equivalents at end of period/year</b>	<b>4,226</b>	<b>2,345</b>	<b>4,027</b>
<b>Cash and cash equivalents consist of:</b>			
Cash and short term deposits	332	346	265
Cash held in JPMorgan GBP Liquidity LVNAV Fund	3,894	1,999	3,762
<b>Total</b>	<b>4,226</b>	<b>2,345</b>	<b>4,027</b>

<sup>1</sup> The presentation of the Cash Flow Statement, as permitted under FRS 102, has been changed so as to present the reconciliation of 'net return before finance costs and taxation' to 'cash inflow from operating activities' on the Cash Flow Statement. Previously, this was shown by way of note to the Cash Flow Statement. Interest paid has also been reclassified to financing activities, previously shown under operating activities, as this relates to the bank loan. Other than changes in presentation, there is no change to the cash flows as presented in previous periods.

## Condensed Statement of Cash Flows

## Analysis of change in net debt

	As at 31st July 2023 £'000	Cash flows £'000	Other non-cash charges £'000	As at 31st January 2024 £'000
<b>Cash and cash equivalents</b>				
Cash	265	67	—	332
Cash equivalents	3,762	132	—	3,894
	<b>4,027</b>	<b>199</b>	<b>—</b>	<b>4,226</b>
<b>Borrowings</b>				
Debt due in less than one year	(27,000)	—	—	(27,000)
	<b>(27,000)</b>	<b>—</b>	<b>—</b>	<b>(27,000)</b>
<b>Net debt</b>	<b>(22,973)</b>	<b>199</b>	<b>—</b>	<b>(22,774)</b>

## Notes to the Condensed Financial Statements

For the six months ended 31st January 2024

### 1. Financial statements

The information contained within the condensed financial statements in this half year report has not been audited or reviewed by the Company's auditors.

The figures and financial information for the year ended 31st July 2023 are extracted from the latest published financial statements of the Company and do not constitute statutory accounts for that year. Those financial statements have been delivered to the Registrar of Companies and including the report of the auditors which was unqualified and did not contain a statement under either section 498(2) or 498(3) of the Companies Act 2006.

### 2. Accounting policies

The financial statements have been prepared in accordance with the Companies Act 2006, FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' of the United Kingdom Generally Accepted Accounting Practice ('UK GAAP') and with the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' (the revised 'SORP') issued by the Association of Investment Companies in July 2022.

FRS 104, 'Interim Financial Reporting', issued by the Financial Reporting Council ('FRC') in March 2015 has been applied in preparing this condensed set of financial statements for the six months ended 31st January 2024.

All of the Company's operations are of a continuing nature.

The accounting policies applied to this condensed set of financial statements are consistent with those applied in the financial statements for the year ended 31st July 2023.

### 3. Return/(loss) per share

	(Unaudited) Six months ended 31st January 2024 £'000	(Unaudited) Six months ended 31st January 2023 £'000	(Audited) Year ended 31st July 2023 £'000
Return per share is based on the following:			
Revenue return	2,727	2,183	7,147
Capital return/(loss)	16,550	(5,425)	(20,004)
<b>Total return/(loss)</b>	<b>19,277</b>	<b>(3,242)</b>	<b>(12,857)</b>
Weighted average number of shares in issue	77,979,930	78,051,669	78,051,669
Revenue return per share	3.50p	2.80p	9.16p
Capital return/(loss) per share	21.22p	(6.95)p	(25.63)p
<b>Total return/(loss) per share</b>	<b>24.72p</b>	<b>(4.15)p</b>	<b>(16.47)p</b>



## Notes to the Condensed Financial Statements

## 4. Dividends paid

	(Unaudited) Six months ended 31st January 2024 £'000	(Unaudited) Six months ended 31st January 2023 £'000	(Audited) Year ended 31st July 2023 £'000
2023 final dividend of 7.7p (2022: 6.9p)	6,010	5,386	5,386
<b>Total dividends paid in the period/year</b>	<b>6,010</b>	<b>5,386</b>	<b>5,386</b>

All dividends paid in the period have been funded from the revenue reserve.

As disclosed in the Prospectus dated 23rd January 2024, in respect of the Issue of Scheme Shares pursuant to a scheme of reconstruction of JPMorgan Mid Cap Investment Trust plc ('the Combination'), the Company paid a pre-completion dividend of 3.60 pence per share to Shareholders on 27th February 2024.

Furthermore, the Company has introduced an enhanced dividend policy, targeting a 4% yield on the NAV per annum, calculated on the basis of 4% of audited NAV as at the end of the preceding financial year of the Company.

Following the successful completion of the Combination and in lieu of any other interim dividend for the financial year of the Company ended 31st July 2024, the Company will announce an interim dividend of 2% of the unaudited NAV of the enlarged Company as at the date of Admission (28th February 2024). This interim dividend is expected to be announced in May 2024 and will be paid to Shareholders in July 2024.

## 5. Net asset value per share

	(Unaudited) Six months ended 31st January 2024	(Unaudited) Six months ended 31st January 2023	(Audited) Year ended 31st July 2023
Net assets (£'000)	255,103	251,819	242,204
Number of shares in issue	77,901,669	78,051,669	78,051,669
<b>Net asset value per share</b>	<b>327.5p</b>	<b>322.6p</b>	<b>310.3p</b>

## 6. Fair valuation of investments

The fair value hierarchy disclosures required by FRS 102 are given below:

	(Unaudited)		(Unaudited)		(Audited)	
	Six months ended 31st January 2024		Six months ended 31st January 2023		Year ended 31st July 2023	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	280,453	—	271,061	—	264,375	—
Level 3 <sup>1</sup>	—	—	—	—	874	—
<b>Total</b>	<b>280,453</b>	<b>—</b>	<b>271,061</b>	<b>—</b>	<b>265,249</b>	<b>—</b>

<sup>1</sup> Relates to Braemar PLC which requested a temporary suspension of its listing on the Main Market of the London Stock Exchange on 3rd July 2023 due to a delay in the publication of its annual results pending an investigation into historic payments made by Braemar. Following the announcement on 22nd September 2023, the company published its final results for FY23 in November 2023, whereafter the board requested a restoration of its listing. The investment in Braemar has been valued based on the last traded price available prior to suspension.

## Notes to the Condensed Financial Statements

## 6. Fair valuation of investments (continued)

	31st January 2024		31st January 2023		31st July 2023	
	Equity		Equity		Equity	
	Investments	Total	Investments	Total	Investments	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Level 3</b>						
Opening balance	874	874	—	—	—	—
Sales	(1,040)	(1,040)	—	—	—	—
Transfers into Level 3	—	—	—	—	1,233	1,233
Change in fair value of investment during the year	166	166	—	—	(359)	(359)
<b>Total</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>874</b>	<b>874</b>



## Interim Management Report

The Company is required to make the following disclosures in its half year report:

### Principal and Emerging Risks and Uncertainties

The principal risks and uncertainties faced by the Company have not changed significantly and fall into the following broad categories: strategic and performance; discount/premium; smaller company investment and market; political and economic; investment management team; accounting, legal and regulatory; cybercrime; and climate change. Information on each of these areas is given in the Strategic Report within the Annual Report and Financial Statements for the year ended 31st July 2023 and in the view of the Board, these principal risks and uncertainties are as applicable to the remaining six months of the financial year as they were to the period under review. The Board, through the Audit Committee, has not identified any emerging risks.

### Related Parties Transactions

During the first six months of the current financial year, no transactions with related parties have taken place which have materially affected the financial position or the performance of the Company during the period.

### Going Concern

The Directors believe, having considered the Company's investment objectives, risk management policies, capital management policies and procedures, nature of the portfolio (including its liquidity) and expenditure projections, that the Company has adequate resources, an appropriate financial structure and suitable management arrangements in place to continue in operational existence for the foreseeable future and more specifically, that there are no material uncertainties pertaining to the Company that would prevent its ability to continue in such operational existence for at least 12 months from the date of the approval of this half year financial report. For these reasons, they consider there is reasonable evidence to continue to adopt the going concern basis in preparing the financial statements.

### Directors' Responsibilities

The Board of Directors confirms that, to the best of its knowledge:

- (i) the condensed set of financial statements contained within the half year financial report has been prepared in accordance with FRS 104 'Interim Financial Reporting' and gives a true and fair view of the state of affairs of the Company and of the assets, liabilities, financial position and net return of the Company, as at 31st January 2024, as required by the UK Listing Authority Disclosure and Transparency Rules 4.2.4R; and
- (ii) the half year management report includes a fair review of the information required by 4.2.7R and 4.2.8R of the UK Listing Authority Disclosure and Transparency Rules.

In order to provide these confirmations, and in preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business;

and the Directors confirm that they have done so.

For and on behalf of the Board

**Andrew Impey**  
Chairman

22nd March 2024



## Glossary of Terms and Alternative Performance Measures ('APMs') (Unaudited)

### Alternative Performance Measure (APM)

Alternative Performance Measures (APMs) are numerical measures of current, historical or future financial performance, financial position or cash flow that are not GAAP measures. APMs are intended to supplement the information in the financial statements, providing useful industry-specific information that can assist shareholders to better understand the performance of the Company. Where a measure is labelled as an APM, a definition and reconciliation to a GAAP measure is set out below.

### Return to Shareholders (APM)

Total return to the shareholders, on a last traded price to last traded price basis, assuming that all dividends received were reinvested, without transaction costs, into the shares of the Company at the time the shares were quoted ex-dividend.

	Page	Six months ended 31st January 2024	
<b>Total return calculation</b>			
Opening share price (p)	8	277.0	(a)
Closing share price (p)	8	290.0	(b)
Total dividend adjustment factor <sup>1</sup>		1.033478	(c)
Adjusted closing share price (d = b x c)		299.7	(d)
<b>Total return to shareholders (e = d / a - 1)</b>		<b>8.2%</b>	<b>(e)</b>

<sup>1</sup> The dividend adjustment factor is calculated on the assumption that the dividends paid out by the Company are reinvested into the shares of the Company at the last traded price quoted at the ex-dividend date.

### Return on Net Assets (APM)

Total return on net asset value ('NAV') per share, on a bid value to bid value basis, assuming that all dividends paid out by the Company were reinvested, without transaction costs, into the shares of the Company at the NAV per share at the time the shares were quoted ex-dividend.

	Page	Six months ended 31st January 2024	
<b>Total return calculation</b>			
Opening cum-income NAV per share (p)	8	310.3	(a)
Closing cum-income NAV per share (p)	8	327.5	(b)
Total dividend adjustment factor <sup>1</sup>		1.028268	(c)
Adjusted closing cum-income NAV per share (d = b x c)		336.8	(d)
<b>Total return on net assets (e = d / a - 1)</b>		<b>8.5%</b>	<b>(e)</b>

<sup>1</sup> The dividend adjustment factor is calculated on the assumption that the dividends paid out by the Company are reinvested into the shares of the Company at the cum-income NAV at the ex-dividend date.

### Net asset value per share (APM)

The value of the Company's net assets (total assets less total liabilities) divided by the number of ordinary shares in issue. Please see note 5 on page 25 for detailed calculations.

### Benchmark total return

Total return on the benchmark, on a closing-market value to closing-market value basis, assuming that all dividends received were reinvested, without transaction costs, in the shares of the underlying companies at the time the shares were quoted ex-dividend.

The benchmark is a recognised index of stocks which should not be taken as wholly representative of the Company's investment universe. The Company's investment strategy does not follow or 'track' this index and consequently, there may be some divergence between the Company's performance and that of the benchmark.

## Glossary of Terms and Alternative Performance Measures ('APMs') (Unaudited)

### Gearing/(net cash) (APM)

Gearing represents the excess amount above net assets of total investments, expressed as a percentage of the shareholders' funds. If the amount calculated is negative, this is shown as a 'net cash' position.

		Six months ended 31st January 2024 £'000	Year ended 31st July 2023 £'000	
<b>Gearing calculation</b>	<b>Page</b>			
Investments held at fair value through profit or loss	21	280,453	265,249	(a)
Net assets	21	255,103	242,204	(b)
<b>Gearing/(net cash) (c = a / b - 1)</b>		<b>9.9%</b>	<b>9.5%</b>	<b>(c)</b>

### Ongoing Charges Ratio (APM)

The ongoing charges represent the Company's management fee and all other operating expenses excluding finance costs payable, expressed as a percentage of the average of the daily cum-income net assets during the year and is calculated in accordance with guidance issued by the Association of Investment Companies.

The figure as at 31st January 2024 is an estimated annualised figure based on the numbers for the six months ended 31st January 2024.

		Six months ended 31st January 2024 £'000	Year ended 31st July 2023 £'000	
<b>Ongoing charges calculation</b>	<b>Page</b>			
Management Fee	19	1,526	1,937	
Other administrative expenses	19	496	559	
Total management fee and other administrative expenses		2,022	2,496	(a)
Average daily cum-income net assets		238,328	243,887	(b)
<b>Ongoing charges (c = a / b)</b>		<b>0.85%<sup>1</sup></b>	<b>1.02%</b>	<b>(c)</b>

<sup>1</sup> The ongoing charge is based on the Company's annualised half year costs prior to the combination with JPM Mid Cap Investment Trust plc. The above calculation does not consider the reduction in management fees following the combination. The ongoing charge is estimated to be 0.77% following the combination.

### Share Price Discount/Premium to Net Asset Value ('NAV') per Share (APM)

If the share price of an investment trust is lower than the cum-income NAV per share, the shares are said to be trading at a discount. The discount is shown as a percentage of the NAV per share.

The opposite of a discount is a premium.

## Where to Buy J.P. Morgan Investment Trusts

You can invest in a J.P. Morgan investment trust through the following:

### 1. Via a third party provider

Third party providers include:

AJ Bell Investcentre	Hargreaves Lansdown
Barclays Smart investor	iDealing
Bestinvest	IG
Charles Stanley Direct	Interactive investor
Close brothers A.M. Self	IWeb
Directed Service	ShareDeal active
Fidelity Personal Investing	Willis Owen
Freetrade	X-O.co.uk
Halifax Share Dealing	

Please note this list is not exhaustive and the availability of individual trusts may vary depending on the provider. These are third party providers and J.P. Morgan Asset Management does not endorse or recommend any. Please observe each provider's privacy and cookie policies as well as their platform charges structure.

The Board encourages all of its Shareholders to exercise their rights and notes that many specialist platforms provide shareholders with the ability to receive company documentation, to vote their shares and to attend general meetings, at no cost. Please refer to your investment platform for more details, or visit the Association of Investment Companies' ('AIC') website at [www.theaic.co.uk/aic/shareholder-voting-consumer-platforms](http://www.theaic.co.uk/aic/shareholder-voting-consumer-platforms) for information on which platforms support these services and how to utilise them.

### 2. Through a professional adviser

Professional advisers are usually able to access the products of all the companies in the market and can help you find an investment that suits your individual circumstances. An adviser will let you know the fee for their service before you go ahead. You can find an adviser at [unbiased.co.uk](http://unbiased.co.uk)

You may also buy investment trusts through stockbrokers, wealth managers and banks.

To familiarise yourself with the Financial Conduct Authority (FCA) adviser charging and commission rules, visit [fca.org.uk](http://fca.org.uk)



## Share Fraud Warning

## Investment and pension scams are often sophisticated and difficult to spot



Be a **ScamSmart** Investor

### Be a ScamSmart investor 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're only making the offer available to you or even ask you to not tell anyone else about it



### How to avoid investment and pension scams

- 1 Reject unexpected offers**  
 Scammers usually cold call, but contact can also come by email, post, word of mouth or at a seminar. If you've been offered an investment out of the blue, chances are it's a high risk investment or a scam.
- 2 Check 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 our authorisation.
- 3 Get impartial advice**  
 Get impartial advice before investing – don't use an adviser from the firm that contacted you.

### If you're suspicious, report it

You can report the firm or scam to us by contacting our **Consumer Helpline** on **0800 111 6768** or using our reporting form using the link below.

If you've lost money in a scam, contact Action Fraud on 0300 123 2040 or [www.actionfraud.police.uk](http://www.actionfraud.police.uk)



**Be ScamSmart and visit**  
[www.fca.org.uk/scamsmart](http://www.fca.org.uk/scamsmart)

## Information About the Company

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### Financial Conduct Authority ('FCA') Regulation of 'non-mainstream pooled investments', MiFID II 'complex investments'

The Company currently conducts its affairs so that the shares issued by the Company can be recommended by independent financial advisers to ordinary retail investors in accordance with the FCA's rules in relation to non-mainstream investment products and intends to continue to do so for the foreseeable future. The shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust. The Company's ordinary shares are not considered to be 'complex instruments' under the FCA's 'Appropriateness' rules and guidance in the COB sourcebook.

### Consumer Duty Value Assessment

The Manager conducted an annual value assessment on the Company in line with FCA rules set out in the Consumer Duty regulation. The assessment focuses on the nature of the product, including benefits received and its quality, limitations that are part of the product, expected total costs to clients and target market considerations. Within this, the assessment considers quality of services, performance of the Company (against both benchmark and peers), total fees (including management fees and entry and exit fees as applicable to the Company), and also considers whether all consumers, including vulnerable consumers, are able to receive fair value from the product. The Manager has concluded that the Company is providing value based on the above assessment.

### Task Force on Climate-related Financial Disclosures

On 30th June 2023, as a regulatory requirement, the Investment Manager published its first UK Task Force on Climate-related Financial Disclosures Report for the Company in respect of the year ended 31st December 2022. The report discloses estimates of the portfolio's climate-related risks and opportunities according to the Financial Conduct Authority Environmental, Social and Governance Sourcebook and the Task Force on Climate-related Financial Disclosures Recommendations ('TCFD').

The report is available on the Company's website: <https://am.jpmorgan.com/content/dam/jpm-am-aem/emea/regional/en/regulatory/esginformation/jpmorgan-uk-smaller-companies-investment-trust-plc-esg-fund-report.pdf>

## Information About the Company

### History

The Company was formed in June 1990 as River & Mercantile Smaller Companies Trust plc and raised £25 million by a public offer of shares. Its original policy was to invest in a diversified portfolio of investments in UK and foreign smaller companies. Its name was changed to The Fleming Smaller Companies Investment Trust plc in April 1996, and again in November 2002 to JPMorgan Fleming Smaller Companies Investment Trust plc, JPMorgan Smaller Companies Investment Trust plc in 2006 and JPMorgan UK Smaller Companies Investment Trust plc in 2021. The Company adopted its present name, JPMorgan UK Small Cap Growth & Income plc, on 27th February 2024, following completion of the Company's combination with JPMorgan Mid Cap Investment Trust plc.

### Directors

Andrew Impey (Chairman of the Board, Nomination Committee and Management Engagement Committee)

Lisa Gordon

Richard Gubbins

Katrina Hart

Gordon Humphries (Chairman of the Audit Committee)

Hannah Philp

Alice Ryder (Chairman of the Remuneration Committee and Senior Independent Director)

### Company Numbers

Company registration number: 2515996

LEI: 549300PXALXKUMU9JM18

London Stock Exchange SEDOL: 0741600

Bloomberg code: JUGI LN

ISIN: GB00BF7L8P11

### Market Information

The Company's unaudited net asset value ("NAV") is published daily, via the London Stock Exchange.

The Company's shares are listed on the London Stock Exchange.

The market price is shown daily in the Financial Times and on the

JPMorgan website at

[www.jpmorganuksmallcapgrowthandincomeplc.com](http://www.jpmorganuksmallcapgrowthandincomeplc.com), where the share price is updated every 15 minutes during trading hours.

### Website

[www.jpmorganuksmallcapgrowthandincomeplc.com](http://www.jpmorganuksmallcapgrowthandincomeplc.com)

### Share Transactions

The Company's shares may be dealt in directly through a stockbroker or professional adviser acting on an investor's behalf.

### Manager and Company Secretary

JPMorgan Funds Limited

### Company's Registered Office

60 Victoria Embankment

London EC4Y 0JP

Telephone number: 020 7742 4000

For Company Secretarial and administrative matters please contact Lucy Dina at the above address.

### Depository

The Bank of New York Mellon (International) Limited

160 Queen Victoria Street

London EC4V 4LA

The Depository has appointed JPMorgan Chase Bank, N.A. as the Company's custodian.

### Registrars

Equiniti Limited

Reference 1139

Aspect House

Spencer Road

Lancing

West Sussex BN99 6DA

Telephone: +44 (0)371 384 2945

Lines open 9.00 a.m. to 5.00 p.m. Monday to Friday. Calls to the

helpline will cost no more than a national rate call to a 01 or 02

number. If calling from outside of the UK, please ensure the country code is used.

Notifications of changes of address and enquiries regarding share certificates or dividend cheques should be made in writing to the Registrar quoting reference 1139. Registered shareholders can obtain further details on their holdings on the internet by visiting

[www.shareview.co.uk](http://www.shareview.co.uk).

### Independent Auditor

Ernst & Young LLP

Statutory Auditor

Atria One

144, Morrison Street

Edinburgh EH3 8EX

### Brokers

Panmure Gordon

One New Change

London

EC4M 9AF



The Association of  
Investment Companies

A member of the AIC

[www.theaic.co.uk](http://www.theaic.co.uk)

**CONTACT**

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London

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Freephone: 0800 20 40 20

Calls from outside the UK: +44 1268 44 44 70

Website: [www.jpmorganuksmallcapgrowthandincomeplc.com](http://www.jpmorganuksmallcapgrowthandincomeplc.com)

