

# Jupiter European Special Situations Fund

Annual Report & Accounts

For the year ended 31 January 2024





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\*These collectively comprise the Authorised Fund Manager's Report.

## Fund Information

### Manager, Registrar and Administrator

Jupiter Unit Trust Managers Limited  
 PO Box 10666  
 Chelmsford  
 CM99 2BG

Tel: **0800 561 4000**

Fax: **0800 561 4001**

**www.jupiteram.com**

Registered Address:  
 The Zig Zag Building  
 70 Victoria Street  
 London SW1E 6SQ

*Authorised and regulated by the Financial Conduct Authority.*

### Trustee

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.*

### Investment Adviser

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

*Authorised and regulated by the Financial Conduct Authority.*

### Independent Auditors

PricewaterhouseCoopers LLP  
 (prior to 22 November 2023)  
 Atria One  
 144 Morrison Street  
 Edinburgh  
 EH3 8EX

Ernst & Young LLP  
 (from 22 November 2023)  
 Atria One  
 144 Morrison Street  
 Edinburgh EH3 8EX

### Directors

The Directors of Jupiter Unit Trust Managers Limited are:

**P Moore**  
**J Singh**  
**T Scholefield**  
**P Wagstaff\***  
**D Skinner**  
**G Pound\*\***  
**J Leach\*\*\***

*\*Resigned 5 January 2024*

*\*\*Appointed 8 February 2023*

*\*\*\*Appointed 14 September 2023*

It is the intention of Jupiter Unit Trust Managers Limited to make this Report & Accounts available on their website. The maintenance and integrity of the Jupiter Unit Trust Managers Limited website is the responsibility of the Directors; the work carried out by the auditors of the Jupiter European Special Situations Fund does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

## Fund Information *(continued)*

### Investment Objective

To provide a return, net of fees, higher than that provided by the FTSE World Europe ex-UK Index over the long term (at least five years).

### Investment Policy

At least 70% of the Fund is invested in shares of companies based in Europe (excluding the UK). Up to 30% of the Fund may be invested in other assets, including shares of companies based anywhere in the world, open-ended funds (including funds managed by Jupiter and its associates), cash and near cash.

The Fund may only enter into derivative transactions for the purposes of efficient portfolio management (including hedging), i.e. to reduce risk, minimise costs or generate additional capital and/or income. The Fund may not enter into derivative transactions for investment (i.e. speculative) purposes.

### Benchmark

The FTSE World Europe ex-UK Index is an industry standard index and is one of the leading representations of Europe ex-UK stock markets. It is easily accessible and provides a fair reflection of the Investment Manager's investment universe and a good relative measure to assess performance outcomes.

Many funds sold in the UK are grouped into sectors by the Investment Association (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics. This Fund is classified in the IA Europe Excluding UK Sector.

### Status

The Fund operates under the Investment Funds Sourcebook (FUND) where applicable and the Collective Investment Schemes Sourcebook (COLL) of the Financial Conduct Authority. The Fund is an authorised unit trust scheme under Section 237 of the Financial Services and Markets Act 2000 and is a UCITS scheme as defined by the COLL rules.

The Fund is a qualifying fund for inclusion within a stocks and shares Individual Savings Account (ISA). It is the Manager's intention to continue to manage the affairs of the Fund in order to meet the qualifying requirements as outlined in current legislation.

### Unit Classes

In addition to the basic class of units which are available to all types of investors, the Fund also offers I-Class units which are available to investors who invest a minimum of £1,000,000, J-Class units which are available to investors who invest a minimum of £500 (who buy units directly from the Manager and not through any intermediary or advisor) and Z-Class units which are available to investors who invest a minimum of £125,000,000. Further details are available from the Manager on request. Please note that in order to distinguish between the unit classes within the Fund they are defined in this report as either L-Class Units (non I-Class, non J-Class and Z-Class) or I-Class Units or J-Class Units or Z-Class Units. The unit types associated with each unit class are disclosed in the Comparative Tables on pages 6 and 7.

### Change of Independent Auditor

With effect from 22 November 2023, the Independent Auditor changed from PricewaterhouseCoopers LLP to Ernst & Young LLP.

## Fund Information *(continued)*

### Cumulative Performance (% change to 31 January 2024)

	1 year	3 years	5 years	10 years
Percentage Growth	9.6	8.8	37.7	79.8
FTSE World Europe ex-UK Index*	8.8	29.6	60.8	129.6
IA Europe Excluding UK Sector**	7.7	22.5	54.0	116.0
Sector Position	44/109	89/101	85/93	70/75
Quartile Ranking	2nd	4th	4th	4th

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

This document is for informational purposes only and is not investment advice. Market and exchange rate movements can cause the value of an investment to fall as well as rise, and you may get back less than originally invested. We recommend you discuss any investment decisions with a financial adviser, particularly if you are unsure whether an investment is suitable. Jupiter is unable to provide investment advice. Current tax levels and reliefs will depend on your individual circumstances and are subject to change in the future. **This Fund invests mainly in shares and it is likely to experience fluctuations in price which are larger than funds that invest only in bonds and/or cash. This Fund can invest more than 35% of its value in securities issued or guaranteed by an EEA state.** For definitions please see the glossary at [jupiteram.com](http://jupiteram.com). Every effort is made to ensure the accuracy of any information provided but no assurances or warranties are given. Company examples are for illustrative purposes only and are not a recommendation to buy or sell. Quoted yields are not guaranteed and may change in the future. Jupiter Unit Trust Managers Limited is authorised and regulated by the Financial Conduct Authority and their registered address is The Zig Zag Building, 70 Victoria Street, London, SW1E 6SQ.

## Investment Report

### Performance Review

For the year ended 31 January 2024, the Fund returned 9.6%\* in sterling terms, compared to 8.8%\* for its target benchmark, FTSE World Europe ex-UK Index and 7.7%\* for the comparator benchmark, IA Europe Excluding UK Sector average. Over five years, the Fund returned 37.7%\* compared to 60.8%\* for its target benchmark and 54.0%\* for the comparator benchmark.

*\*Source: Morningstar, gross income reinvested net of fees, in GBP. The performance statistics disclosed above relate to I-Class units unless otherwise stated.*

### Market Review

The period began with gains in equity markets as inflation eased and led to expectations of peak central bank interest rates. Authorities in China lifted Covid restrictions, and sentiment was positive about the economy reopening. Volatility returned to markets after the collapse of three US regional banks and the Swiss authorities' forced sale of troubled Credit Suisse to peer UBS. Financial contagion risk fears soon subsided, and volatility normalised.

Underlying inflation remained elevated in many developed markets, and the European Central Bank (ECB) and US Federal Reserve (Fed) raised interest rates through the summer before pausing later in the year. Euro-area data showed a slowdown in manufacturing activity, impacted in part by China's weak economic recovery. The euro-area economy expanded by 0.3% in Quarter 2, then contracted slightly in Quarter 3 and showed no growth Quarter 4.

Equity markets were under pressure during the third quarter and the start of the fourth quarter because of concern about central banks keeping interest rates higher for longer and rising bond yields. These concerns eased as inflation and economic readings softened, and the Fed and ECB forecast rates cuts in 2024. Markets rallied in November and December, and posted modest gains in January.

### Policy Review

In the year under review, Fund performance benefited from stock selection in the consumer discretionary, basic materials and health care and the overweight position in technology. Among the top contributors to performance were Novo Nordisk, Partners Group, RELX and Dassault Systemes. The underperformers for the Fund included Sartorius Stedim, Pernod Ricard, Nexi and Fineco Bank.

This longer term period for the Fund was hindered by performance in 2022 when expectations for interest rate rises significantly impacted valuations of growth companies to which the Fund is exposed.

The Fund also initiated a position in Richemont, the owner of luxury watch and jewellery brands that we believe has significant pricing power and attractive brands. The Fund started a holding in ASM International, a global leader in the semiconductor capital equipment value chain.

The Fund started a position in Schneider Electric, a global company that manufactures electrical power products for energy management and industrial automation. The Fund participated in the initial public offering for Schott Pharma, which provides packaging products used to contain and deliver injectable pharmaceuticals. L'Oreal, a global leader in cosmetics, also was added to the Fund.

Holdings in Assa Abloy and Nexi were sold due to lower conviction in the names, while Lindt was sold following strong performance. Adidas was sold due to concerns around medium-term margin pressure, and a residual holding in Grifols was sold.

## Investment Report *(continued)*

### Investment Outlook

The consensus outlook for the European economy remains uncertain, but we remain constructive on the long-term opportunities for quality European companies.

With signs that inflation has peaked, there is conjecture around when and by how much central banks will cut rates. However, markets remain concerned about recession risks, persistent inflation, geopolitical risk and the potential of central bank policy errors. We believe that these are largely global issues rather than issues just facing the European market, nevertheless the European market is still trading at a significant valuation discount to the US.

We continue to believe that a focus on companies with strong fundamentals, competitive advantages and exposure to secular growth trends is the most reliable path to successful long-term returns. We monitor the fundamental backdrop of our holdings, assessing for signs of competitive change or disruptive forces. But it is worth noting that quality businesses tend to thrive and gain share in more difficult economic times, as their customers focus on purchasing goods and services that can make the difference to their operations.

Positioning in the Fund is driven by bottom-up stock selection, which leads to a maintained skew towards quality companies with higher profitability and higher growth characteristics than the index. We are attracted to companies with long-term structural growth drivers and predictable cashflows and will continue to apply our process to analyse and invest in these opportunities.

### Mark Nichols and Sohil Chotai

Co-Investment Managers



## Comparative Tables

### Change in net asset per unit

	L-Class Accumulation			I-Class Accumulation		
	31.01.24 (p)	31.01.23 (p)	31.01.22 (p)	31.01.24 (p)	31.01.23 (p)	31.01.22 (p)
Opening net asset value per unit	449.27	472.72	451.11	489.34	510.99	483.95
Return before operating charges*	41.50	(16.01)	30.40	45.47	(17.05)	32.42
Operating charges	(7.98)	(7.44)	(8.79)	(4.96)	(4.60)	(5.38)
Return after operating charges*	33.52	(23.45)	21.61	40.51	(21.65)	27.04
Distributions on accumulation unit	–	–	–	(2.26)	(1.23)	(0.63)
Retained distributions on accumulation units	–	–	–	2.26	1.23	0.63
Closing net asset value per unit	482.79	449.27	472.72	529.85	489.34	510.99
*after direct transaction costs of:	0.12	0.07	0.31	0.13	0.08	0.34

### Performance

Return after charges (%)	7.46	(4.96)	4.79	8.28	(4.24)	5.59
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### Other information

Closing net asset value (£'000)	52,088	56,323	100,180	139,823	143,517	137,663
Closing number of units	10,788,780	12,536,641	21,192,163	26,389,083	29,328,267	26,940,181
Operating charges (%)	1.74	1.74	1.74	0.99	0.99	0.99
Direct transaction costs (%)	0.03	0.02	0.06	0.03	0.02	0.06

### Prices

Highest unit price (p)	484.08	484.35	562.90	531.26	523.64	607.51
Lowest unit price (p)	416.94	382.78	437.02	456.68	415.99	469.21

### Change in net asset per unit

	J-Class Accumulation			Z-Class Accumulation		
	31.01.24 (p)	31.01.23 (p)	31.01.22 (p)	31.01.24 (p)	31.01.23 (p)	31.01.22 (p)
Opening net asset value per unit	453.21	475.11	452.02	489.27	510.81	483.96
Return before operating charges*	42.00	(16.13)	30.40	45.60	(17.47)	31.62
Operating charges	(6.21)	(5.77)	(7.31)	(4.41)	(4.07)	(4.77)
Return after operating charges*	35.79	(21.90)	23.09	41.19	(21.54)	26.85
Distributions on accumulation unit	(0.47)	–	–	(3.17)	–	(0.11)
Retained distributions on accumulation units	0.47	–	–	3.17	–	0.11
Closing net asset value per unit	489.00	453.21	475.11	530.46	489.27	510.81
*after direct transaction costs of:	0.12	0.07	0.31	0.13	0.08	0.34

### Performance

Return after charges (%)	7.90	(4.61)	5.11	8.42	(4.22)	5.55
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### Other information

Closing net asset value (£'000)	41,883	40,874	44,516	1	1	1
Closing number of units	8,565,017	9,018,786	9,369,690	188	206	199
Operating charges (%)	1.34	1.34	1.44	0.88	0.88	0.88
Direct transaction costs (%)	0.03	0.02	0.06	0.03	0.02	0.06

### Prices

Highest unit price (p)	490.30	486.83	565.39	532.07	523.15	607.17
Lowest unit price (p)	421.86	385.68	438.04	457.16	415.64	469.22

## Comparative Tables *(continued)*

<b>Change in net asset per unit</b>						
	<b>I-Class Income</b>			<b>Z-Class Income</b>		
	31.01.24 (p)	31.01.23 (p)	31.01.22 (p)	31.01.24 (p)	31.01.23 (p)	31.01.22 (p)
Opening net asset value per unit	454.86	476.19	451.55	467.44	488.02	462.35
Return before operating charges*	42.27	(15.88)	30.24	43.54	(16.69)	30.33
Operating charges	(4.61)	(4.30)	(5.02)	(4.21)	(3.89)	(4.56)
Return after operating charges*	37.66	(20.18)	25.22	39.33	(20.58)	25.77
Distributions on income unit	(2.10)	(1.15)	(0.58)	(3.03)	–	(0.10)
Closing net asset value per unit	490.42	454.86	476.19	503.74	467.44	488.02
*after direct transaction costs of:	0.12	0.07	0.31	0.12	0.07	0.32
<b>Performance</b>						
Return after charges (%)	8.28	(4.24)	5.59	8.41	(4.22)	5.57
<b>Other information</b>						
Closing net asset value (£'000)	1,921	1,755	3,515	1	1	1
Closing number of units	391,758	385,869	738,121	197	216	208
Operating charges (%)	0.99	0.99	0.99	0.88	0.88	0.88
Direct transaction costs (%)	0.03	0.02	0.06	0.03	0.02	0.06
<b>Prices</b>						
Highest unit price (p)	493.83	487.98	566.83	508.32	499.69	580.06
Lowest unit price (p)	424.51	387.66	437.79	436.77	397.11	448.27

## Comparative Tables *(continued)*

### Portfolio Turnover Rate

The Portfolio Turnover Rate (PTR) of the Fund, based on the figures included within the financial statements for the year as indicated below, is as follows:

	Year to 31.01.24	Year to 31.01.23
Portfolio Turnover Rate	25.02%	11.61%

The PTR provides an indication of the rate the Manager has bought and sold the underlying assets of the Fund during the period as indicated above. In general, the higher the PTR of a fund, the greater level of portfolio transaction costs will be incurred.

### Risk and Reward Indicator

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.



- The lowest category does not mean 'no risk'. Some risk will still be present in funds with a risk and reward rating of 1.
- The Fund is in this category due to the nature of its investments and previous levels of volatility (how much the value of the Fund rises and falls).

### Charges

- The charges you pay are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

Charges taken from the Fund over the year to:	31.01.24	31.01.23*
Ongoing charges for L-Class Units	1.74%	1.74%
Ongoing charges for I-Class Units	0.99%	0.99%
Ongoing charges for J-Class Units	1.34%	1.34%
Ongoing charges for Z-Class Units	0.88%	0.88%

\*With effect from 1 July 2022, the fees charged to the Fund by the Manager have changed. Under the new simplified fee structure, the Manager combined the Annual Management Charge and the Aggregate Operating Fee into a Fixed Annual Charge.

## Portfolio Statement

As at 31 January 2024

Holding	Investment	Market value £	Total net assets %
<b>Belgium - 1.16% (0.68%)</b>			
167,309	Azelis Group	2,727,602	1.16
<b>Denmark - 8.98% (9.36%)</b>			
25,936	DSV Panalpina	3,662,401	1.55
197,854	Novo Nordisk 'B'	17,510,125	7.43
		21,172,526	8.98
<b>France - 24.58% (25.25%)</b>			
169,741	Cie Generale des Etablissements Michelin	4,460,600	1.89
166,357	Dassault Systemes	6,841,908	2.90
158,268	Edenred	7,478,827	3.17
366,932	Elis	6,388,740	2.71
11,540	L'Oreal	4,375,692	1.86
19,449	LVMH	12,822,213	5.44
41,793	Pernod-Ricard	5,434,345	2.31
26,509	Sartorius Stedim Biotech	5,673,368	2.41
28,659	Schneider Electric	4,467,439	1.89
		57,943,132	24.58
<b>Germany - 4.47% (11.52%)</b>			
108,866	Infineon Technologies	3,129,603	1.33
43,636	Puma	1,398,964	0.59
59,256	Schott Pharma	1,818,900	0.77
51,464	Symrise	4,202,053	1.78
		10,549,520	4.47
<b>Ireland - 7.54% (1.41%)</b>			
43,541	Kingspan Group	2,804,460	1.19
46,914	Linde	14,963,080	6.35
		17,767,540	7.54
<b>Italy - 5.48% (7.87%)</b>			
485,535	Davide Campari-Milano	3,894,031	1.65
466,595	FinecoBank	5,343,059	2.27
385,072	Infrastrutture Wireless Italiane	3,690,473	1.56
		12,927,563	5.48
<b>Netherlands - 18.15% (15.26%)</b>			
3,223	Adyen	3,217,488	1.37
6,785	ASM International	2,985,778	1.27
22,263	ASML Holding	15,151,976	6.43
44,003	IMCD	5,327,758	2.26

## Portfolio Statement *(continued)*

As at 31 January 2024

Holding	Investment	Market value £	Total net assets %
<b>Netherlands (continued)</b>			
120,430	Koninklijke Ahold Delhaize	2,670,846	1.13
196,363	Universal Music Group	4,582,562	1.94
75,978	Wolters Kluwer	8,836,415	3.75
		42,772,823	18.15
<b>Spain - 5.80% (7.05%)</b>			
186,565	Amadeus IT Group	10,349,470	4.39
108,933	Cellnex Telecom	3,321,474	1.41
		13,670,944	5.80
<b>Sweden - 0.00% (1.30%)</b>			
<b>Switzerland - 10.70% (10.06%)</b>			
40,938	Cie Financiere Richemont	4,831,904	2.05
18,883	Lonza Group	7,339,347	3.11
6,474	Partners Group	6,948,205	2.95
27,805	Sika AG	6,108,252	2.59
		25,227,708	10.70
<b>United Kingdom - 9.48% (8.32%)</b>			
761,887	Allfunds Group	4,303,782	1.83
481,202	RELX	15,681,658	6.65
2,624,292	WAG Payment Solutions	2,351,366	1.00
		22,336,806	9.48
	Total value of investments	227,096,164	96.34
	Net other assets	8,621,196	3.66
	<b>Net assets</b>	<b>235,717,360</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 January 2023.

## Summary of Material Portfolio Changes

### Significant purchases and sales for the year ended 31 January 2024

Purchases	Cost £	Sales	Proceeds £
Cie Generale des Etablissements Michelin	5,072,664	Novo Nordisk 'B'	7,611,237
L'Oreal	4,070,827	Dassault Systemes	4,417,845
Schneider Electric	3,849,972	Pernod-Ricard	3,463,694
Wolters Kluwer	2,678,534	Assa Abloy	2,975,468
ASM International	2,130,819	LVMH	2,875,473
Azelis Group	1,620,508	Nexi	2,733,513
Davide Campari-Milano	1,518,378	Lonza Group	2,676,773
Schott Pharma	1,382,219	Amadeus IT Group	2,672,448
Lindt	1,097,035	Coloplast 'B'	2,649,134
Edenred	1,012,951	Adyen	2,440,198
Subtotal	<u>24,433,907</u>	Subtotal	<u>34,515,783</u>
<b>Total cost of purchases, including the above, for the year</b>	<b><u>29,436,329</u></b>	<b>Total proceeds of sales, including the above, for the year</b>	<b><u>57,754,893</u></b>

## Statement of Authorised Fund Manager's Responsibilities in relation to the Financial Statements of the Scheme

The Financial Conduct Authority's Collective Investment Schemes (COLL) and, where applicable, Investment Funds (FUND) Sourcebooks, as amended (the Sourcebooks) require the Authorised Fund Manager (the 'Manager') to prepare financial statements for each annual accounting period which give a true and fair view of the financial affairs of the Scheme and of its revenue and expenditure for the year. In preparing the financial statements the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on a going concern basis, unless it is inappropriate to do so;
- comply with the requirements of the Statement of Recommended Practice for Authorised Funds;
- follow applicable accounting standards; and
- keep proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements.

The Manager is responsible for the management of the Scheme in accordance with the Sourcebooks and the Scheme's Trust Deed and Prospectus. The Manager is also responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Statement of Trustee's Responsibilities in relation to the Financial Statements of the Scheme and Report of the Trustee to the Unitholders of the Jupiter European Special Situations Fund ("the Fund") for the Year Ended 31 January 2024

The Trustee must ensure that the Fund is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Trust Deed and Prospectus (together "the Scheme documents") as detailed below.

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

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

The Trustee must ensure that:

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

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

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

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

### Northern Trust Investor Services Limited

Trustee & Depositary Services

London

27 March 2024



## Independent auditors' report to the Unitholders of Jupiter European Special Situations Fund

### Opinion

We have audited the financial statements of Jupiter European Special Situations Fund ("the Fund") for the year ended 31 January 2024, which comprise the Statement of Total Return, the Statement of Changes in Net Assets Attributable to Unitholders, the Balance Sheet, the related notes and the Distribution Tables, and the accounting policies of the Fund set out on pages 20 and 21, 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 including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Fund as at 31 January 2024 and of the net revenue and the net capital gains on the scheme property of the Fund 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 Fund 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.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Manager'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 Fund's 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 Manager 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 Fund's ability to continue as a going concern.

## Independent auditors' report to the Unitholders of Jupiter European Special Situations Fund *(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 Manager 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 and the Trust Deed; 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 Manager'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 Manager

As explained more fully in the Manager's responsibilities statement set out on page 12, the Manager 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 Manager 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 Manager is responsible for assessing the Fund'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 Manager either intends to wind up or terminate the Fund or to cease operations, or has no realistic alternative but to do so.

## Independent auditors' report to the Unitholders of Jupiter European Special Situations Fund *(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 Fund 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 Fund's Trust Deed and the Prospectus.
- We understood how the Fund is complying with those frameworks through discussions with the Manager and the Fund's administrators and a review of the Fund's documented policies and procedures.
- We assessed the susceptibility of the Fund's financial statements to material misstatement, including how fraud might be considered by considering the risk of management override, specifically management's propensity to influence revenue and amounts available for distribution. We identified fraud risks in relation to the incomplete or inaccurate income recognition through incorrect classification of special dividends and the resulting impact to amounts available for distribution. We tested the appropriateness of management's classification of material special dividends as either a capital or revenue return.
- 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 Manager 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 Fund.
- Due to the regulated nature of the Fund, the Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities 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 auditors' report to the Unitholders of Jupiter European Special Situations Fund *(continued)*

### Use of our report

This report is made solely to the Fund's unitholders, 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 Fund's unitholders 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 Fund and the Fund's unitholders as a body, for our audit work, for this report, or for the opinions we have formed.

### Ernst & Young LLP

Statutory Auditor

Edinburgh

27 March 2024

## Statement of Total Return

For the year ended 31 January 2024					
	Note	Year to 31.01.24		Year to 31.01.23	
		£	£	£	£
Income					
Net capital gains/(losses)	3		17,524,949		(14,425,575)
Revenue	4		3,777,417		3,286,380
Expenses	5		(2,874,475)		(3,236,679)
Interest payable and similar charges			–		(9,157)
Net revenue before taxation			902,942		40,544
Taxation	6		(344,585)		(141,820)
Net revenue/(expense) after taxation			558,357		(101,276)
<b>Total return before distributions</b>			<b>18,083,306</b>		<b>(14,526,851)</b>
Distributions	7		(717,281)		(403,952)
<b>Change in net assets attributable to unitholders from investment activities</b>			<b>17,366,025</b>		<b>(14,930,803)</b>

## Statement of Change in Net Assets Attributable to Unitholders

For the year ended 31 January 2024					
		Year to 31.01.24		Year to 31.01.23	
		£	£	£	£
<b>Opening net assets attributable to unitholders</b>			<b>242,470,611</b>		<b>285,875,687</b>
Amounts receivable on issue of units			1,756,128		4,335,955
Amounts payable on cancellation of units			(26,512,348)		(33,172,314)
			(24,756,220)		(28,836,359)
Change in net assets attributable to unitholders from investment activities			17,366,025		(14,930,803)
Retained distribution on accumulation units			636,944		362,086
<b>Closing net assets attributable to unitholders</b>			<b>235,717,360</b>		<b>242,470,611</b>

## Balance Sheet

As at 31 January 2024			
	Note	31.01.24 £	31.01.23 £
<b>Assets</b>			
Fixed assets:			
Investments		227,096,164	237,820,068
Current assets:			
Debtors	8	1,138,875	1,246,451
Cash and bank balances	9	8,071,668	5,177,979
Total assets		236,306,707	244,244,498
<b>Liabilities</b>			
Creditors:			
Bank overdrafts		(131,437)	(1,338,619)
Distributions payable		(8,243)	(4,438)
Other creditors	10	(449,667)	(430,830)
Total liabilities		(589,347)	(1,773,887)
<b>Net assets attributable to unitholders</b>		<b>235,717,360</b>	<b>242,470,611</b>

## Directors' Statement

### Jupiter European Special Situations Fund

This report has been prepared in accordance with the requirements of the Financial Conduct Authority's Collective Investment Schemes Sourcebook and Investment Funds Sourcebook where applicable and the Statement of Recommended Practice issued by the Investment Association.

**Directors: Paula Moore, Jasveer Singh**

Jupiter Unit Trust Managers Limited

London

27 March 2024

## Notes to the Financial Statements

### 1. Significant Accounting Policies

#### (a) Basis of Accounting

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, in compliance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook. They have been prepared in accordance with FRS 102 and the Statement of Recommended Practice for Financial Statements of UK Authorised Funds issued by The Investment Management Association (now referred to as the Investment Association) in May 2014 (the 2014 SORP) and amended in June 2017.

#### Going Concern

The Manager has undertaken a detailed assessment of the 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 Fund continues to be open for trading and the Manager is satisfied the Fund has adequate financial resources to continue in operation for a period of 12 months from the date of authorization of these financial statements and accordingly it is appropriate to adopt the going concern basis in preparing the financial statements.

#### (b) Revenue

All dividends from companies declared ex-dividend during the year ended 31 January 2024 are included in revenue, net of any attributable tax.

UK dividends are shown net of any associated tax credits attached to the income.

Bank interest are accrued up to the year end date.

Overseas revenue received after the deduction of withholding tax is shown gross of tax, with the tax consequences shown within the tax charge.

Special dividends are reviewed on a case by case basis when determining if the dividend is to be treated as revenue or capital. The tax treatment follows the accounting treatment of the principal amount.

#### (c) Expenses

All expenses, including overdraft interest, but excluding those relating to the purchase and sale of investments, are charged against the revenue of the Fund. All of the Fund's expenses are recognised on an accruals basis.

With effect from 1 July 2022, the fees charged to the Fund by the Manager have changed. Under the new simplified fee structure, the Manager combined the Annual Management Charge and the Aggregate Operating Fee into a Fixed Annual Charge.

#### (d) 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 January 2024, 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.

A Valuation and Pricing Committee (VPC) of the Investment Manager is responsible for approving unlisted prices. The VPC meets on a quarterly 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.

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

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### 1. Significant Accounting Policies *(continued)*

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#### (e) Foreign Exchange

Transactions in foreign currencies are translated into Sterling at the rates ruling at the dates of the transactions. Assets and liabilities expressed in foreign currencies are translated at the rates ruling at Close of Business on 31 January 2024, being the last valuation point of the year.

#### (f) Taxation

Corporation Tax is provided at 20% on revenue, other than UK dividends and overseas dividends, after deduction of expenses. Where overseas tax has been deducted from overseas revenue that tax can, in some instances, be set off against Corporation Tax payable, by way of double taxation relief.

The charge for tax is based on the profit for the year and takes into account deferred taxation because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred Tax is provided using the liability method on all timing differences, calculated at the rate at which it is anticipated the timing differences will reverse. Deferred Tax assets are recognised only when, on the basis of available evidence, it is more likely than not that there will be taxable profits in the future against which the Deferred Tax can be offset.

#### (g) Equalisation

Equalisation received from underlying funds is treated as capital of the Fund.

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### 2. Distribution Policies

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#### (a) Basis of Distribution

All of the net revenue available for distribution at the end of the final accounting period will be distributed to unitholders as a dividend distribution. In order to achieve a controlled dividend flow to unitholders, interim distributions may be made at the Manager's discretion, up to a maximum of the distributable revenue available for the period. Should expenses and taxation together exceed revenue, there will be no distribution and the shortfall will be met from capital.

If, in respect of a particular accounting period, the average income allocation to unitholders (disregarding, for this purpose, any units held by the Manager or Trustee or their associates) would be less than £25, the Manager reserves the right (with the agreement of the Trustee) not to make any income allocation and, in such an event, the amount of net revenue remaining for that period will be credited to capital and reflected in the value of units.

#### (b) Distributions Dates

Net revenue, if any, will be distributed or accumulated to unitholders as a dividend distribution, annually on 31 March in respect of the accounting year ending 31 January.

#### (c) Unclaimed Distribution

Distributions which have remained unclaimed by Unitholders for more than six years are credited to the capital property of the Fund.



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

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

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

	31.01.24 £	31.01.23 £
Currency (losses)/gains	(75,615)	114,096
Central Securities Depositories Regulation Penalty Reimbursement	71	71
Gains/(losses) on non-derivative securities	17,600,059	(14,537,014)
Gains/(losses) on forward currency contracts (see Note 13)	434	(2,728)
<b>Net capital gains/(losses)</b>	<b>17,524,949</b>	<b>(14,425,575)</b>

### 4. Revenue

	31.01.24 £	31.01.23 £
UK dividends	351,468	312,656
Overseas dividends	3,283,257	2,968,156
Bank interest	142,692	5,568
<b>Total revenue</b>	<b>3,777,417</b>	<b>3,286,380</b>

### 5. Expenses

	31.01.24 £	31.01.23 £
<b>Payable to the Manager, associates of the Manager and agents of either of them:</b>		
Annual management charge	–	1,160,423
	–	1,160,423
<b>Other expenses:</b>		
Fixed Annual Charge*	2,874,475	1,818,942
Aggregate Operating Fee	–	257,314
	2,874,475	2,076,256
<b>Total expenses</b>	<b>2,874,475</b>	<b>3,236,679</b>

\*The audit fee (excluding VAT) incurred during the year was £8,850 (31.01.23: £12,663). The current year amount is borne by the Manager as it is paid out of the Fixed Annual Charge.

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

### 6. Taxation

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

	31.01.24 £	31.01.23 £
Irrecoverable overseas tax	344,585	141,820
<b>Total tax charge for the year</b>	<b>344,585</b>	<b>141,820</b>

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

The tax assessed for the year is higher (2023: higher) than the standard rate of Corporation Tax in the UK for an authorised unit trust. The differences are explained below:

	31.01.24 £	31.01.23 £
Net revenue before taxation	902,942	40,544
Corporation tax of 20% (2023: 20%)	180,588	8,109
<b>Effects of:</b>		
Current year expenses not utilised	546,357	648,054
Revenue not subject to taxation	(726,945)	(656,163)
Irrecoverable overseas tax	344,585	141,820
<b>Total tax charge for the year</b>	<b>344,585</b>	<b>141,820</b>

Authorised unit trusts 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 January 2024, there are surplus management expenses of £143,873,083 (31.01.23: £141,141,300). It is unlikely the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore a Deferred Tax asset of £28,774,617 (31.01.23: £28,228,260) has not been recognised.

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

### 7. Distributions

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

	31.01.24 £	31.01.23 £
Final distribution	645,187	366,524
	645,187	366,524
Amounts received on issue of units	(3,848)	(2,906)
Amounts paid on cancellation of units	75,942	40,334
<b>Net distributions for the year</b>	<b>717,281</b>	<b>403,952</b>

#### Reconciliation of net revenue after taxation to distributions:

Net revenue/(expense) after taxation	558,357	(101,276)
Equalisation on conversions	11,492	200,894
Net movement in revenue account	(12)	10
Transfer from capital for revenue deficit*	147,444	304,331
Surplus net revenue transferred to capital**	–	(7)
<b>Net distributions for the year</b>	<b>717,281</b>	<b>403,952</b>

\*No distributions have been made in respect of L-Class Accumulation Units as there was an excess of expenses over revenue in respect of these unit classes for the current and prior year. No distributions have been made in respect of J-Class Accumulation Units as there was an excess of expenses over revenue in respect of these unit classes for the prior year. The deficit has been covered by a transfer from capital of the Fund (as described in Note 2 on page 21).

\*\*No distributions have been made in respect of Z-Class Units on the grounds of immateriality of net revenue available (as described in Note 2 on page 21) for the prior year.

Details of the distributions in pence per unit are shown in the Distribution Table on pages 33 and 34.

### 8. Debtors

	31.01.24 £	31.01.23 £
Accrued revenue	10,747	2,260
Amounts receivable for issue of units	125	21
Net transfer of currency deals awaiting settlement	796	–
Overseas tax recoverable	664,003	1,244,170
Sales awaiting settlement	463,204	–
<b>Total debtors</b>	<b>1,138,875</b>	<b>1,246,451</b>

### 9. Cash and Bank Balances

	31.01.24 £	31.01.23 £
Cash and bank balances	8,071,668	5,177,979
<b>Total cash and bank balances</b>	<b>8,071,668</b>	<b>5,177,979</b>

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

### 10. Other Creditors

	31.01.24 £	31.01.23 £
Accrued expenses	55,110	56,795
Amounts payable for cancellation of units	394,557	374,035
<b>Total other creditors</b>	<b>449,667</b>	<b>430,830</b>

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

The Fund had no contingent assets and liabilities or capital commitments at the balance sheet date (31.01.23: £nil).

### 12. Related Party Transactions

Jupiter Unit Trust Managers Limited (JUTM), as Manager, is a related party in respect of their dealings with the Fund. JUTM acts as principal in respect of all transactions of units in the Fund. The aggregate monies received through issue and paid on cancellation are disclosed in the Statement of Change in Net Assets Attributable to Unitholders and, if applicable, in Note 7 (Distributions).

Amounts receivable/(payable) from JUTM in respect of issues/cancellations are disclosed in the Statement of Change in Net Assets Attributable to Unitholders. At the year end, a net balance of £394,432 was payable to JUTM (31.01.23: £374,014 payable to JUTM). These amounts are included in amounts receivable for issue of units in Note 8 (Debtors) and amounts payable for cancellation of units in Note 10 (Other Creditors).

Any amounts due to or from JUTM at the end of the accounting year are disclosed in Notes 8 and 10. Amounts paid to JUTM in respect of fund management are disclosed in Note 5 (Expenses). At the year end, £55,110 was payable to JUTM (31.01.23: £56,795 payable to JUTM). This amount is included as part of accrued expenses in Note 10.

### 13. Financial Instruments

In pursuing its investment objectives, the Fund holds a number of financial instruments. These comprise securities and other investments, cash balances, bank overdrafts and debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable from issues and payable for cancellations and debtors for accrued revenue.

The Fund may enter into derivative transactions, the purpose of which will only be for efficient management of the Fund and not for investment purposes.

The Fund has little exposure to credit, counterparty and cash flow risk. These risks are not significant at current levels. The main risks it faces from its financial instruments are liquidity, market price, foreign currency and interest rate risk. The Manager reviews policies for managing these risks in pursuance of the Investment Objective and Policy as set out on page 2 and they are summarised later. These risks remain unchanged from the prior year.

Adherence to investment guidelines and to investment and borrowing powers set out in the Trust Deed, Scheme Particulars and in the rules of the Collective Investment Schemes Sourcebook 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 Review and Portfolio Statement.

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

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

#### Liquidity Risk

With any financial instrument held, there is the risk that the Fund may not be able to sell the full amount it wishes to at any given point of time, at the price at which the holding is valued within the portfolio. This risk is most pronounced for instruments in smaller companies listed on emerging market exchanges and for unlisted securities. It is possible therefore, that if the Fund was forced to raise money quickly in order to meet significant redemption requests, the price achieved for some of the less liquid instruments would be lower than that at which they are valued. The Fund aims to reduce this liquidity risk by holding a well diversified range of securities.

#### Market Price Risk

Market price risk arises mainly from uncertainty about future prices of financial instruments held by the Fund. It represents the potential loss the Fund might suffer through holding market positions which are affected by adverse price movements.

The Manager regularly considers the asset allocation of the portfolio in order to minimise the risk associated with particular markets or industry sectors whilst continuing to follow the Investment Objective and Policy (as set out on page 2).

#### Price Risk Sensitivity

A ten percent increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £22,709,616 (31.01.23: £23,782,007). A ten percent decrease would have an equal and opposite effect.

#### Foreign Currency Risk

A substantial proportion of the net assets of the Fund is denominated in currencies other than Sterling, with the effect that the balance sheet and total return can be significantly affected by currency movements.

Currency	31.01.24 £	31.01.23 £
Danish Kroner	21,355,023	23,370,722
Euro	169,741,179	188,547,625
Swedish Krona	28,379	3,188,662
Swiss Franc	25,227,716	24,392,128
US Dollar	14,963,080	–

#### Foreign Currency Risk Sensitivity

A ten percent increase in the value of the Fund's foreign currency exposure would have the effect of increasing the return and net assets by £23,131,538 (31.01.23: £23,949,914). A ten percent decrease would have an equal and opposite effect.

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

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

#### Interest Rate Risk

The Fund holds various cash positions and any change to the interest rates may result in either revenue increasing or decreasing.

#### Interest Rate Risk Profile of Financial Assets and Financial Liabilities

The interest rate risk profile of the Fund's financial assets and liabilities at 31 January was:

Currency	Floating Rate financial assets £	Fixed Rate financial assets £	Financial assets not carrying interest £	Total £
<b>31.01.24</b>				
Danish Kroner	–	–	21,801,541	21,801,541
Euro	5,899,598	–	163,841,581	169,741,179
Swedish Krona	–	–	28,379	28,379
Swiss Franc	–	–	25,227,716	25,227,716
US Dollar	–	–	14,963,080	14,963,080
Sterling	2,172,070	–	2,372,742	4,544,812
<b>Total</b>	<b>8,071,668</b>	<b>–</b>	<b>228,235,039</b>	<b>236,306,707</b>

<b>31.01.23</b>				
Danish Kroner	–	–	23,370,722	23,370,722
Euro	2,611,896	–	185,935,729	188,547,625
Swedish Krona	–	–	3,188,662	3,188,662
Swiss Franc	–	–	24,392,128	24,392,128
Sterling	2,566,083	–	2,179,278	4,745,361
<b>Total</b>	<b>5,177,979</b>	<b>–</b>	<b>239,066,519</b>	<b>244,244,498</b>

Currency	Floating Rate financial liabilities £	Fixed Rate financial liabilities £	Financial liabilities not carrying interest £	Total £
<b>31.01.24</b>				
Sterling	131,437	–	457,910	589,347
<b>Total</b>	<b>131,437</b>	<b>–</b>	<b>457,910</b>	<b>589,347</b>

<b>31.01.23</b>				
Sterling	1,338,619	–	435,268	1,773,887
<b>Total</b>	<b>1,338,619</b>	<b>–</b>	<b>435,268</b>	<b>1,773,887</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 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)*

#### Use of Derivatives

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

#### Forward 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 gains of £434 to the Fund during the year (31.01.23: realised losses of £2,728). All contracts were undertaken with Northern Trust as counterparty during the year. There are no outstanding contracts at the year end.

### 14. Fair Value of Investments

There is no material difference between the 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 £	Liabilities £
<b>31.01.24</b>		
Level 1	227,096,164	–
Level 2	–	–
Level 3	–	–
<b>Total</b>	<b>227,096,164</b>	<b>–</b>

Basis of valuation	Assets £	Liabilities £
<b>31.01.23</b>		
Level 1	237,820,068	–
Level 2	–	–
Level 3	–	–
<b>Total</b>	<b>237,820,068</b>	<b>–</b>

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

### 14. Fair Value of Investments *(continued)*

All financial instruments are classified as level 1: Quoted prices.

Generally for the non-market traded and unlisted securities, where there is no price source from an active market for an investment, the Manager has applied judgement in determining the fair value. The Manager 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 Manager are set out in Significant Accounting Policies note (d). 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. One of the most common forms of multiples used for cash generating companies are EV/EBITDA multiples as EBITDA is generally seen to represent a good proxy for free cash flow. These are applied where appropriate based on the development of underlying portfolio companies but other multiples such as EV/Revenue 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 Manager 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 units that would limit the Manager's ability to realise its holding.
- Consideration of any outstanding payments to be made by the Manager.
- Industry statistics or events (such as mergers and acquisitions).



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

### 15. Portfolio Transaction Costs

For the year ended 31 January 2024

	Equities £	%	Total £
<b>31.01.24</b>			
<b>Analysis of total purchases costs</b>			
Purchases in year before transaction costs	29,395,379		29,395,379
Commissions	9,141	0.03	9,141
Expenses and other charges	31,809	0.11	31,809
	40,950		40,950
Purchases including transaction costs	29,436,329		29,436,329
<b>Analysis of total sales costs</b>			
Sales in year before transaction costs	57,774,708		57,774,708
Commissions	(19,794)	0.03	(19,794)
Expenses and other charges	(21)	0.00	(21)
	(19,815)		(19,815)
Sales net of transaction costs	57,754,893		57,754,893

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

Commissions	0.01%
Expenses and other charges	0.02%

The average portfolio dealing spread as at the balance sheet date was 0.12%.

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

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

For the year ended 31 January 2023

	Equities £	%	Corporate Actions £	%	Total £
<b>31.01.23</b>					
<b>Analysis of total purchases costs</b>					
Purchases in year before transaction costs	17,770,532		–		17,770,532
Commissions	7,560	0.04	–	–	7,560
Expenses and other charges	12,744	0.07	–	–	12,744
	20,304		–		20,304
Purchases including transaction costs	17,790,836		–		17,790,836
<b>Analysis of total sales costs</b>					
Sales in year before transaction costs	48,319,878		5,087		48,324,965
Commissions	(21,469)	0.04	–	–	(21,469)
Expenses and other charges	(4)	0.00	–	–	(4)
	(21,473)		–		(21,473)
Sales net of transaction costs	48,298,405		5,087		48,303,492

Commissions 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 0.11%

### 16. Unitholders' Funds

The Fund has the following unit classes in issue, with the following charges and minimum initial investment levels:

Unit Class	Initial Charge	Fixed Annual Charge	Minimum Initial Investment
L-Class Units	0.00%	1.74%	£500
I-Class Units	0.00%	0.99%	£1,000,000
J-Class Units	0.00%	1.34%	£500
Z-Class Units	0.00%	0.88%	£125,000,000

Revenue and other expenses, not included in the table above, are allocated each day pro rata to the value of the assets attributable to each unit class and taxation is calculated by reference to the net revenue after expenses attributable to each unit class. Due to the varying expenses, the level of net revenue after expenses attributable to each unit class and the distributable revenue is likely to differ.

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

### 16. Unitholders' Funds *(continued)*

The Net Asset Value per unit and the number of units in each class are given in the Comparative Tables on pages 6 and 7. All unit classes have the same rights on winding up.

Reconciliation of Units	L-Class Accumulation	I-Class Income	I-Class Accumulation	J-Class Accumulation
Opening number of units at 1 February 2023	12,536,641	385,869	29,328,267	9,018,786
Units issued in year	118,291	94,697	116,567	42,592
Units cancelled in year	(1,175,784)	(88,808)	(3,605,370)	(584,776)
Units converted in year	(690,368)	–	549,619	88,415
Closing number of units at 31 January 2024	10,788,780	391,758	26,389,083	8,565,017

Reconciliation of Units	Z-Class Income	Z-Class Accumulation
Opening number of units at 1 February 2023	216	206
Units issued in year	180	172
Units cancelled in year	(199)	(190)
Units converted in year	–	–
Closing number of units at 31 January 2024	197	188

### 17. Post balance sheet event

With effect from 23 February 2024, the Fixed Annual Charge for the following unit classes L, I and J, are subject to a discount according to the value of the scheme property of Fund, as set out in the table below.

Value of the scheme property (Net Asset Value)	Discount applied to the Fixed Annual Charge
less than £500 million	no discount
£500 million	0.02% of the Fund's Net Asset Value
£1.5 billion	0.04% of the Fund's Net Asset Value
£3 billion and above	0.06% of the Fund's Net Asset Value

To calculate the discount applicable to a Fixed Annual Charge, the value of the scheme property of the Fund is assessed by the Manager at each month end. If the value of the scheme property meets or exceeds one of the thresholds outlined in the table above, the relevant discount is applied to the Fixed Annual Charge of the Fund within 30 calendar days and each month thereafter (provided the scheme property of the Fund remains above the relevant threshold).

The discount to a Fixed Annual Charge will reduce or cease to apply (as applicable) if the value of the scheme property of a Fund (measured as at month end) reduces below the relevant threshold for that discount and remains below that threshold for three consecutive months. The reduction or disapplication of the discount (as applicable) will be applied to the Fixed Annual Charge of the Fund within 30 calendar days and each month thereafter.

The Manager reserves the right to increase or decrease the amount of the discount and/or the value thresholds listed in the table above. In the event of these changes, the Manager will notify Unitholders.

## Distribution Table

For the year ended 31 January 2024

### FINAL

Group 1: Units purchased prior to 1 February 2023

Group 2: Units purchased on or after 1 February 2023 to 31 January 2024

	Income	Equalisation	Distribution to be accumulated 28.03.24	Distribution accumulated 31.03.23
L-Class Accumulation Units	pence per unit	pence per unit	pence per unit	pence per unit
Group 1	–	–	–	–
Group 2	–	–	–	–

	Income	Equalisation	Distribution payable 28.03.24	Distribution paid 31.03.23
I-Class Income Units	pence per unit	pence per unit	pence per unit	pence per unit
Group 1	2.1027	–	2.1027	1.1501
Group 2	2.0819	0.0208	2.1027	1.1501

	Income	Equalisation	Distribution to be accumulated 28.03.24	Distribution accumulated 31.03.23
I-Class Accumulation Units	pence per unit	pence per unit	pence per unit	pence per unit
Group 1	2.2610	–	2.2610	1.2346
Group 2	0.4211	1.8399	2.2610	1.2346

	Income	Equalisation	Distribution to be accumulated 28.03.24	Distribution accumulated 31.03.23
J-Class Accumulation Units	pence per unit	pence per unit	pence per unit	pence per unit
Group 1	0.4703	–	0.4703	–
Group 2	–	0.4703	0.4703	–

	Income	Equalisation	Distribution payable 28.03.24	Distribution paid 31.03.23
Z-Class Income Units	pence per unit	pence per unit	pence per unit	pence per unit
Group 1	3.0295	–	3.0295	–
Group 2	3.0295	–	3.0295	–

	Income	Equalisation	Distribution to be accumulated 28.03.24	Distribution accumulated 31.03.23
Z-Class Accumulation Units	pence per unit	pence per unit	pence per unit	pence per unit
Group 1	3.1710	–	3.1710	–
Group 2	3.1710	–	3.1710	–

## Distribution Table *(continued)*

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### All Unit Types

The relevant information required by a corporate unitholder is as follows:

- Franked investment income 100.00%
- Annual payment 0.00%  
(non-foreign element)

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

## General Information (unaudited)

### 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"). 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.

## General Information (unaudited) *(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.

## General Information (unaudited) (continued)

### Quantitative disclosures

The remuneration data provided below reflects amounts paid in respect of the performance year 2023 in relation to the funds managed by JUTM.

As at 31 December 2023, JUTM had GBP 26.9 billion assets under management consisting of 30 authorised Unit Trust, 9 sub-funds within 2 Open-Ended Investment Companies and 2 Investment Trusts.

Total annual remuneration paid to all JUTM employees (as per breakdown below):	
Of which fixed:	n/a
Of which variable:	n/a
Number of JUTM employees:	
Total remuneration paid to Identified Staff of JUTM:	£9,926,537
Of which paid to Senior Management:	£2,034,057
Of which paid to other Identified Staff:	£7,892,480
Number of Identified Staff:	25
Total annual remuneration paid to employees in delegate(s):	£11,310,880
Of which fixed:	£1,977,355
Of which variable:	£9,333,525
Number of beneficiaries:	9

### Notes

Remuneration for Material Risk Takers includes remuneration paid to employees of other group companies performing senior management functions for JUTM.

Remuneration for Material Risk Takers includes remuneration paid to employees of other group companies who perform fund management activities on behalf of JUTM under the terms of a delegation agreement between JUTM and their employer. In the interests of transparency, the remuneration disclosed for these employees is the total remuneration for activities across all group companies.

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, 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 2023.



## General Information (unaudited) *(continued)*

### Tax Information Reporting

UK tax legislation requires fund managers to provide information to HMRC on certain investors who purchase units in unit trusts. Accordingly, the Fund may have to provide information annually to HMRC on the tax residencies of those unitholders 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 unitholders that invest in the Fund must complete a certification form as part of the application form. Existing unitholders 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](https://www.gov.uk/government/publications/exchange-of-information-account-holders)**.

### Value Assessment

The Assessment of Value report for Jupiter European Special Situations Fund, contained within a Composite Report on each of Jupiter's Unit Trusts is published annually on the Document Library at [www.jupiteram.com](http://www.jupiteram.com) within 4 months of the reference date 31 March.

## General Information (unaudited) *(continued)*

### Advice to Unitholders

In recent years, investment related scams have become increasingly sophisticated and difficult to spot. We are therefore warning all our unitholders 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**.

### Other Information

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