

Jupiter Fund Management plc - Interim Report and Accounts 2024

# Results for the six months ended 30 June 2024

26 July 2024

## A solid first half with reasons for cautious optimism

- We have delivered a solid set of financial results for H1 2024 that are in line with our expectations, and we are continuing to make progress against each of our strategic objectives
- Underlying profit before tax increased 3% to £47.9m (H1 2023: £46.4m) and statutory profit before tax grew 11% to £38.7m (H1 2023: £34.8m)
- We remain committed to careful and deliberate capital allocation and cost management. Total operating costs decreased by 2% to £129.1m (H1 2023: £132.2m)
- We saw an increase in gross flows from retail clients, with total gross flows of £7.5bn (H2 2023: £5.5bn)
- There were total net outflows of £3.4bn, driven by the expected impact of changes to the Value equity team and the management of the Chrysalis Investment Trust. Underlying net outflows, excluding these impacts, were £0.2bn
- In line with our capital allocation policy, we announce an ordinary dividend of 3.2p per share

	Six months ended 30 June 2024	Six months ended 30 June 2023	Year ended 31 December 2023
AUM (£bn)	51.3	51.4	52.2
Net flows (£bn)	(3.4)	-	(2.2)
Net revenue <sup>1</sup> (£m)	173.7	181.0	368.8
Statutory profit before tax <sup>2</sup> (£m)	38.7	34.8	9.4
Basic earnings per share (EPS) <sup>2</sup> (p)	5.4	4.6	(2.5)
Underlying profit before tax <sup>1</sup> (£m)	47.9	46.4	105.2
Underlying EPS <sup>1</sup> (p)	6.6	6.7	14.8
Total dividends per share	3.2	6.4	9.8
Cost:income ratio <sup>1</sup>	74%	71%	73%

1 The Group's use of alternative performance measures (APMs) is explained on pages 25 to 28.

2 IFRS measures.

## Matthew Beesley, Chief Executive Officer, commented:

"Jupiter delivered a solid financial performance during the first half of the year consistent with our expectations despite experiencing outflows, which were nearly all associated with changes in the Value team and to the management of the Chrysalis Investment Trust. Our underlying profit before tax increased by 3%, supported by a continuous focus on cost management which saw total operating costs continue to fall. I believe we have a business and a structure which positions us well for success given our work to date to right-size our business, invest in strategic growth drivers, and bring in highly regarded investment talent.

There are reasons to be cautiously optimistic. Our underlying outflows were small at just £0.2bn and we saw an increase in gross flows to £7.5bn, driven by an improvement in demand from retail clients. These positive flows were spread across a number of our capabilities, including Systematic equities and Asian & Emerging Market equities.

As we look forward, like other market participants, we are beginning to see early signs of client sentiment shifting more favourably in the UK where we have deep client relationships and leading investment capabilities. Markets have responded positively to the increased political stability in the UK that comes with the incoming Government and if this improvement in sentiment is sustained, Jupiter is likely to be a strong beneficiary."

## Analyst presentation

There will be a virtual analyst presentation at 10:00am BST on 26 July 2024.

The presentation will be accessible via a live webcast, which will be available at: <https://secure.emincote.com/client/jupiter/jfm039>. Please note that questions can be asked via the webcast.

The results announcement and the presentation will be available at <https://www.jupiteram.com/investor-relations>. Copies may also be obtained from the registered office of the Company at The Zig Zag Building, 70 Victoria Street, London, SW1E 6SQ.

The interim report and accounts will be available on the Group's website at: <https://www.jupiteram.com/investor-relations>.

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## Forward-looking statements

This announcement contains forward-looking statements with respect to the financial condition, results of operations and businesses of the Group. Such statements and forecasts involve risk and uncertainty because they relate to events and depend upon circumstances in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by forward-looking statements and forecasts. Forward-looking statements and forecasts are based on the Directors' current view and information known to them at the date of this announcement. The Directors do not make any undertaking to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Nothing in this announcement should be construed as a profit forecast.

# Management statement

We are pleased to report a solid start to 2024, with continued progress against our strategic objectives and financial results that are in line with or, in some cases, ahead of our expectations.

We saw total net outflows of £3.4bn, with £0.8bn due to the change in management of the Chrysalis Investment Trust and £2.4bn from strategies managed by the Value desk. There were total underlying net outflows (i.e. excluding the impact of these two changes) of £0.2bn, broadly in line with our expectation of flat underlying flows for the full year.

On this underlying basis, we saw small net positive flows in the retail, wholesale and investment trust channel, driven by demand for Indian equities, Asian Income and both equity and fixed income absolute return strategies. Although underlying flows from the Institutional channel were net negative in terms of AUM, they were net positive in terms of revenue contribution on a run-rate basis, with gross inflows into higher margin areas.

Although interest rates remain high and valuations of UK-listed companies are low relative to both their own history and other developed markets, there are reasons to be cautiously optimistic and there are early signs of an improvement in UK investor sentiment, particularly in the retail and wholesale channel.

We remain resolutely focused on the aspects of the business that we can control and employ a thoughtful, strategic approach to our resource allocation. As a result of this discipline, and not withstanding some seasonality, total operating costs in the first half were lower than market expectations, leading to a 3% increase in underlying profit before tax of £47.9m (H1 2023: £46.4m).

Our capital base remains very strong and we have today announced an ordinary dividend of 3.2p per share, in line with our capital allocation policy of returning 50% of pre-performance fee earnings per share.

## Progress against our strategic objectives

We continue to manage our business with focus on our four key objectives of increasing scale, decreasing undue complexity, broadening our appeal to clients and deepening relationships with all stakeholders.

Although there were short-term specific challenges, we continue to see strong momentum as we look to increase scale in the Institutional channel. The majority of the £1.6bn of net outflows in this channel were from strategies managed by the Value team. Although there were £0.3bn of underlying outflows from institutional clients, these movements resulted in net positive revenue contribution on a run-rate basis. Our international business remains strong and well-diversified, with inflows from clients based in Asia and Latin America almost offsetting outflows from unconstrained fixed income strategies from clients based in continental Europe.

We have continued to remove undue complexity from the business, through both careful and disciplined management of our cost base and direct management actions. Although the discrete programme of fund rationalisation is largely

complete, ongoing curation of the product range will see a net reduction in the total number of funds by the year end. Our focus remains on ensuring we have differentiated investment capabilities and considering whether evolving client needs present us with an opportunity to allow them to access these capabilities through different structures or constructs. We have also continued to invest in data and technology, most notably around enhancing our scalable platform, with the aim of delivering on that operational leverage opportunity.

This focus will allow us to remove undue complexity, automating formerly manual processes and delivering increasingly bespoke, personalised levels of client service and reporting. In turn, along with strengthening our ability to provide customised solutions, this approach will enable us to broaden our appeal to clients.

Finally, we continue to deepen relationships with all our stakeholders, including our clients, with whom we will continue to actively engage to ensure that we understand their evolving needs. Our people are another key stakeholder and I am pleased to report that our latest opinion survey showed an engagement score of 76%, higher, once more, than the financial services benchmark<sup>1</sup>. With regards to our shareholders, our ordinary dividend announced today is in line with our capital allocation policy and we will continue to build a business that delivers consistent shareholder value.

1. Engagement score of 76% is based upon our most recent employee 'pulse' opinion survey, conducted in May 2024. The benchmark of 74% is provided by People Insight and comprises engagement scores of all financial services who provide data to them.

## Improving gross flows and underlying net flows

Following market weakness in the second half of last year, gross flows saw an improvement in the first half of 2024 to £7.5bn (H2 2023: £5.5bn), driven by an increase in demand from retail clients.

We saw total net outflows of £3.4bn in the first half of 2024. This was driven by £2.4bn of net outflows from strategies managed by the Value team and £0.8bn following the change in arrangements of the management of the Chrysalis Investment Trust. Excluding the impact of these two factors, we saw total underlying net outflows of £0.2bn.

The net redemptions from strategies managed by the Value team included £1.3bn from institutional clients and £1.1bn from retail and wholesale clients. The team now manage £6.3bn of externally managed assets, £1.7bn of which is on behalf of institutional clients and £4.6bn for retail clients. £3.4bn of the managed assets are held in segregated mandates.

Encouragingly, we generated slightly net positive underlying flows in the retail, wholesale and investment trust channel. This was driven by strong demand for our Asian and Emerging Market equities capability, most notably our Indian equity and wider Asian Income strategies. Our Systematic equities capability also saw inflows, driven by strong investment performance and ongoing client demand for the Global Equity Absolute Return Fund.

Institutional flows, which are always more lumpy in nature, were more muted in the first half and saw small net outflows, which was almost all due to the expected redemption of a lower margin mandate. On an underlying basis, although Institutional flows were net negative in terms of AUM, they were net positive in terms of revenue contribution on a run-rate basis.

Although these net outflows were partially offset by positive market and other movements of £2.5bn, total closing AUM decreased by 2% to £51.3bn (31 December 2023: £52.2bn).

	31 December 2023 £bn	Q1 net flows £bn	Q2 net flows £bn	H1 net flows £bn	Market and other movements £bn	30 June 2024 £bn
Retail, wholesale & investment trusts	42.2	(0.8)	(1.0)	(1.8)	2.0	42.4
Institutional	10.0	(0.8)	(0.8)	(1.6)	0.5	8.9
<b>Total</b>	<b>52.2</b>	<b>(1.6)</b>	<b>(1.8)</b>	<b>(3.4)</b>	<b>2.5</b>	<b>51.3</b>
<i>of which is invested in mutual funds</i>	<i>38.1</i>	<i>(0.3)</i>	<i>(0.6)</i>	<i>(0.9)</i>	<i>1.7</i>	<i>38.9</i>

## Solid financial performance

Despite the well-known headwinds and an ongoing uncertain market backdrop, we delivered solid financial performance in the first half of 2024.

Underlying profit before tax and exceptional items increased by 3% to £47.9m (H1 2023: £46.4m), with statutory profit before tax up 11% to £38.7m (H1 2023: £34.8m). Excluding the impact of net performance fees, underlying profit before tax and exceptional items was £46.6m (H1 2023: £49.5m).

Including net performance fees, underlying EPS was 6.6p (H1 2023: 6.7p) and basic statutory EPS was 5.4p (H1 2023: 4.6p). Underlying EPS, excluding the impact of net performance fees, was 6.4p (H1 2023: 7.1p).

Driven by market gains, average AUM increased to £52.1bn (H1 2023: £50.9bn). However, with the strategic introduction of tiered pricing on our UK-domiciled fund ranges and the evolution of the business towards institutional clients, the average fee margin in the first half was 65bps (FY 2023: 70bps). This is slightly lower than guidance for the full year, but is a result of the timing of flows, which we expect to drive up net revenue margins in the second half. The guidance of 66bps for the full-year 2024 net revenue margin remains unchanged.

As a result of these changes, net revenue was 4% lower at £173.7m (H1 2023: £181.0m), including £3.9m of performance fees (H1 2023: £0.4m).

Thoughtful and strategic allocation of costs remains a key focus at Jupiter. Although there is some seasonality in our cost base, with a greater weighting towards the second half, costs are largely as we expected for the period.

Fixed staff costs of £38.8m (H1 2023: £37.0m) were in line with guidance. Variable staff costs of £41.0m (H1 2023: £41.4m) reflect a 45% total compensation ratio (excluding the net impact of performance fees), which is two percentage points lower than our guidance for the full year. Although there is some seasonality in these costs, it is possible that we will now be able to deliver a full-year compensation ratio in the region of 46%.

Non-compensation costs also continue to be carefully managed at £49.3m (H1 2023: £53.8m). Again, there is some seasonality here and we would expect non-compensation costs to be higher in the second half. Nonetheless, through direct management actions we now reasonably expect full-year non-compensation costs to be £109m, £2m lower than previous guidance.

Our disciplined approach towards our cost base remains unchanged. Our investments are focused on areas which will either realise growth opportunities which will add scale to the revenue base, build further efficiencies in our scalable platform that will deliver operational leverage or drive value for money from existing mandatory spend.

Total expenses before exceptional items were 2% lower than the first half of 2023 at £129.1m (H1 2023: £132.2m). Excluding the impact of performance fee-related pay and exceptional items, the Group's total administrative expenses were £126.5m (H1 2023: £128.7m).

There were exceptional items of £9.2m (H1 2023: £11.6m), which solely comprised amortisation of intangible assets relating to the 2020 Merian acquisition. No further exceptional items are expected in the second half of the year.

£m	Six months ended 30 June 2024			Six months ended 30 June 2023		
	Before net performance fees	Net performance fees	Total fees	Before net performance fees	Net performance fees	Total
<b>Net revenue</b>	<b>169.8</b>	<b>3.9</b>	<b>173.7</b>	<b>180.6</b>	<b>0.4</b>	<b>181.0</b>
Compensation costs	(77.2)	(2.6)	(79.8)	(74.9)	(3.5)	(78.4)
Non-compensation costs	(49.3)	-	(49.3)	(53.8)	-	(53.8)
<b>Administrative expenses<sup>1</sup></b>	<b>(126.5)</b>	<b>(2.6)</b>	<b>(129.1)</b>	<b>(128.7)</b>	<b>(3.5)</b>	<b>(132.2)</b>
Other gains	3.5	-	3.5	0.4	-	0.4
Amortisation of intangible assets <sup>2</sup>	(1.2)	-	(1.2)	(1.0)	-	(1.0)
<b>Operating profit before exceptional items</b>	<b>45.6</b>	<b>1.3</b>	<b>46.9</b>	<b>51.3</b>	<b>(3.1)</b>	<b>48.2</b>
Net finance income/(costs)	1.0	-	1.0	(1.8)	-	(1.8)
<b>Profit before taxation and exceptional items</b>	<b>46.6</b>	<b>1.3</b>	<b>47.9</b>	<b>49.5</b>	<b>(3.1)</b>	<b>46.4</b>
Exceptional items	(9.2)	-	(9.2)	(11.6)	-	(11.6)
<b>Statutory profit before tax</b>	<b>37.4</b>	<b>1.3</b>	<b>38.7</b>	<b>37.9</b>	<b>(3.1)</b>	<b>34.8</b>

1 Administrative expenses in H1 2023 excluded £2.2m of variable staff costs classified as exceptional.

2 Amortisation of intangible assets excludes £9.2m classified as exceptional (2023 H1: £9.4m).

### Active, high-conviction investment

Market dynamics have continued to create a challenging backdrop for our range of investment capabilities and, as a result, our aggregate investment performance measures are lower than we would typically expect.

At 30 June 2024, 55% of our mutual fund AUM had delivered above-median performance against their peer group over three years (31 December 2023: 59% of mutual fund AUM), of which 43% of mutual fund AUM had delivered first quartile performance (31 December 2023: 41% of mutual fund AUM).

Measured over five years, 57% of mutual fund AUM (31 December 2023: 66% of mutual fund AUM) delivered above-median performance, whereas over one year, this was 43% of mutual fund AUM (31 December 2023: 65% of mutual fund AUM).

The decline over our key three-year metric was driven by a small number of larger funds moving below their median, including the European Growth fund, Japanese equity and some of our Merlin fund of fund strategies.

However, of our 13 funds that have over £1bn of AUM, nine are above their median over three and five years. We have also seen some exceptionally strong performance in smaller funds that are in areas of strong client demand. Of the 21 funds which are in the top quartile over three years, over half of these are also top decile, including Strategic Absolute Return Bond fund, Indian equity strategies, Global High Yield and Asian Income.

Segregated mandates and investment trusts now make up £12.4bn, or 24% of our AUM (31 December 2023: £10.9bn, or 21% of our AUM). At the period end, 64% of AUM in this category were above their benchmarks over three years (31 December 2023: 59%).

### A strong capital base

The Group continues to maintain a strong capital base.

Our expected capital surplus has increased to £198.5m at end June 2024, which is around 3.75 times coverage of our regulatory surplus requirement of £72m.

Our capital allocation policy is to pay out 50% of underlying EPS before performance fees. In line with this, the Board

have proposed an interim ordinary dividend of 3.2p per share. The dividend will be paid on 4 September 2024 to shareholders on the register at the close of business on 9 August 2024.

Our policy, as part of our overall capital allocation framework, allows us to return capital to shareholders on a clear, sustainable basis and, if there are no capital needs, we expect to make further returns of additional capital to shareholders at the appropriate time.

### Looking forward through 2024

Whilst the backdrop remains uncertain and there are well-publicised challenges to the industry, our underlying business is performing well and we have delivered a solid set of financial results.

Our approach to human and capital resource allocation remains considered and we are focused on building scale and top-line revenue growth, while driving efficiencies and removing any undue complexity.

Market sentiment is still far from buoyant, but there are early signs of cautious optimism for an improvement in clients' views towards risk assets. With a period of forthcoming political stability and falling interest rates, and the possibility of more bold action from the new government, it is not unreasonable to be hopeful around a potential turnaround in sentiment in both the UK and in companies who are listed in the UK. Should this take place, Jupiter remains well-positioned to capitalise over the medium term.

Matthew Beesley  
Chief Executive Officer  
25 July 2024

## Consolidated income statement

for the six months ended 30 June 2024

	Notes	Six months ended 30 June 2024	Six months ended 30 June 2023	Year ended 31 December 2023
		£m	£m	£m
Revenue	1	192.6	200.2	405.6
Fee and commission expenses	1	(18.9)	(19.2)	(36.8)
<b>Net revenue</b>	<b>1</b>	<b>173.7</b>	<b>181.0</b>	<b>368.8</b>
Administrative expenses	3	(129.1)	(134.4)	(265.4)
Other gains	4	3.5	0.4	3.2
Amortisation of intangible assets	9	(10.4)	(10.4)	(20.6)
<b>Operating profit</b>		<b>37.7</b>	<b>36.6</b>	<b>86.0</b>
Impairment of goodwill	8	-	-	(76.2)
Finance income <sup>1</sup>	5	4.1	1.3	5.8
Finance costs <sup>1</sup>	5	(3.1)	(3.1)	(6.2)
<b>Profit before taxation</b>		<b>38.7</b>	<b>34.8</b>	<b>9.4</b>
Income tax expense	6	(10.5)	(10.6)	(22.3)
<b>Profit/(loss) for the period<sup>1</sup></b>		<b>28.2</b>	<b>24.2</b>	<b>(12.9)</b>
<b>Earnings per share</b>				
Basic	7	5.4p	4.6p	(2.5)p
Diluted	7	5.3p	4.6p	(2.5)p

<sup>1</sup>In the Group's 2023 Interim Report and Accounts, these lines were aggregated as 'Net finance costs'.

## Consolidated statement of comprehensive income

for the six months ended 30 June 2024

	Six months ended 30 June 2024 £m	Six months ended 30 June 2023 £m	Year ended 31 December 2023 £m
Profit/(loss) for the period	<b>28.2</b>	<b>24.2</b>	<b>(12.9)</b>
<b>Items that may be reclassified subsequently to profit or loss</b>			
Exchange movements on translation of subsidiary undertakings	(0.8)	(2.1)	(1.7)
<b>Other comprehensive loss for the year net of tax</b>	<b>(0.8)</b>	<b>(2.1)</b>	<b>(1.7)</b>
<b>Total comprehensive income/(loss) for the period net of tax</b>	<b>27.4</b>	<b>22.1</b>	<b>(14.6)</b>

## Consolidated balance sheet

at 30 June 2024

	Notes	30 June 2024 £m	30 June 2023 £m	31 December 2023 £m
<b>Non-current assets</b>				
Goodwill	8	494.4	570.6	494.4
Intangible assets	9	10.2	26.7	17.5
Property, plant and equipment	10	35.8	38.9	37.5
Investment in associates		1.8	-	1.8
Deferred tax assets		16.9	19.4	16.1
Trade and other receivables		0.4	0.3	0.4
		<b>559.5</b>	<b>655.9</b>	<b>567.7</b>
<b>Current assets</b>				
Financial assets	11	469.9	166.8	232.8
Trade and other receivables		166.7	205.7	137.6
Cash and cash equivalents	12	206.9	284.0	268.2
Current tax asset		3.7	3.1	1.3
		<b>847.2</b>	<b>659.6</b>	<b>639.9</b>
<b>Total assets</b>		<b>1,406.7</b>	<b>1,315.5</b>	<b>1,207.6</b>
<b>Equity attributable to shareholders</b>				
Share capital	14	10.9	10.9	10.9
Own share reserve	15	(0.6)	(0.8)	(0.7)
Other reserves	15	250.3	250.3	250.3
Foreign currency translation reserve	15	1.2	1.6	2.0
Retained earnings	15	543.8	586.7	527.0
<b>Capital and reserves attributable to owners of Jupiter Fund Management plc</b>		<b>805.6</b>	<b>848.7</b>	<b>789.5</b>
Non-controlling interests		-	0.5	-
<b>Total equity</b>		<b>805.6</b>	<b>849.2</b>	<b>789.5</b>
<b>Non-current liabilities</b>				
Loans and borrowings	13	49.8	49.6	49.7

Trade and other payables		52.3	81.8	59.7
Deferred tax liabilities		-	4.5	2.3
		<u>102.1</u>	<u>135.9</u>	<u>111.7</u>
<b>Current liabilities</b>				
Financial liabilities at fair value through profit or loss (FVTPL)	11	250.9	48.5	80.3
Trade and other payables <sup>1</sup>		243.9	280.2	221.4
Provisions <sup>1</sup>		3.4	1.7	4.7
Current tax liability		0.8	-	-
		<u>499.0</u>	<u>330.4</u>	<u>306.4</u>
<b>Total liabilities</b>		<u>601.1</u>	<u>466.3</u>	<u>418.1</u>
<b>Total equity and liabilities</b>		<u>1,406.7</u>	<u>1,315.5</u>	<u>1,207.6</u>

<sup>1</sup>In the Group's 2023 Interim Report and Accounts, these lines were aggregated as 'Trade and other payables'.

## Consolidated statement of changes in equity

for the six months ended 30 June 2024

	Share capital £m	Own share reserve £m	Other reserves £m	Foreign currency translation reserve £m	Retained earnings £m	Total £m	Non-controlling interests £m	Total equity £m
<b>At 1 January 2023</b>	<b>10.9</b>	<b>(0.5)</b>	<b>250.3</b>	<b>3.7</b>	<b>578.9</b>	<b>843.3</b>	<b>0.6</b>	<b>843.9</b>
Profit/(loss) for the period	-	-	-	-	24.3	24.3	(0.1)	24.2
Exchange movements on translation of subsidiary undertakings	-	-	-	(2.1)	-	(2.1)	-	(2.1)
<b>Other comprehensive loss</b>	-	-	-	<b>(2.1)</b>	-	<b>(2.1)</b>	-	<b>(2.1)</b>
<b>Total comprehensive (loss)/income</b>	-	-	-	<b>(2.1)</b>	<b>24.3</b>	<b>22.2</b>	<b>(0.1)</b>	<b>22.1</b>
Vesting of ordinary shares and options	-	0.1	-	-	(0.1)	-	-	-
Dividends paid	-	-	-	-	(2.6)	(2.6)	-	(2.6)
Purchase of shares by EBT	-	(0.4)	-	-	(24.0)	(24.4)	-	(24.4)
Share-based payments	-	-	-	-	10.2	10.2	-	10.2
<b>Total transactions with owners</b>	-	<b>(0.3)</b>	-	-	<b>(16.5)</b>	<b>(16.8)</b>	-	<b>(16.8)</b>
<b>At 30 June 2023</b>	<b>10.9</b>	<b>(0.8)</b>	<b>250.3</b>	<b>1.6</b>	<b>586.7</b>	<b>848.7</b>	<b>0.5</b>	<b>849.2</b>
(Loss)/profit for the period	-	-	-	-	(37.2)	(37.2)	0.1	(37.1)
Exchange movements on translation of subsidiary undertakings	-	-	-	0.4	-	0.4	-	0.4
<b>Other comprehensive income</b>	-	-	-	<b>0.4</b>	-	<b>0.4</b>	-	<b>0.4</b>
<b>Total comprehensive income/(loss)</b>	-	-	-	<b>0.4</b>	<b>(37.2)</b>	<b>(36.8)</b>	<b>0.1</b>	<b>(36.7)</b>
Vesting of ordinary shares and options	-	0.1	-	-	(0.1)	-	-	-
Dividends paid	-	-	-	-	(32.6)	(32.6)	-	(32.6)
Purchase of shares by EBT	-	-	-	-	(0.1)	(0.1)	-	(0.1)
Share-based payments	-	-	-	-	8.3	8.3	-	8.3
Other movements	-	-	-	-	2.0	2.0	-	2.0
Disposal of non-controlling interests	-	-	-	-	-	-	(0.6)	(0.6)
<b>Total transactions with owners</b>	-	<b>0.1</b>	-	-	<b>(22.5)</b>	<b>(22.4)</b>	<b>(0.6)</b>	<b>(23.0)</b>
<b>At 31 December 2023</b>	<b>10.9</b>	<b>(0.7)</b>	<b>250.3</b>	<b>2.0</b>	<b>527.0</b>	<b>789.5</b>	-	<b>789.5</b>
Profit for the period	-	-	-	-	28.2	28.2	-	28.2
Exchange movements on translation of subsidiary undertakings	-	-	-	(0.8)	-	(0.8)	-	(0.8)
<b>Other comprehensive loss</b>	-	-	-	<b>(0.8)</b>	-	<b>(0.8)</b>	-	<b>(0.8)</b>

<b>Total comprehensive (loss)/income</b>	-	-	-	(0.8)	28.2	27.4	-	27.4
Vesting of ordinary shares and options	-	0.1	-	-	(0.1)	-	-	-
Dividends paid	-	-	-	-	(17.6)	(17.6)	-	(17.6)
Purchase of shares by EBT	-	-	-	-	(0.9)	(0.9)	-	(0.9)
Share-based payments	-	-	-	-	7.2	7.2	-	7.2
<b>Total transactions with owners</b>	-	0.1	-	-	(11.4)	(11.3)	-	(11.3)
<b>At 30 June 2024</b>	<b>10.9</b>	<b>(0.6)</b>	<b>250.3</b>	<b>1.2</b>	<b>543.8</b>	<b>805.6</b>	<b>-</b>	<b>805.6</b>
Notes	14	15	15	15	15			

## Consolidated statement of cash flows

for the six months ended 30 June 2024

	Notes	Six months ended 30 June 2024 £m	Six months ended 30 June 2023 £m	Year ended 31 December 2023 £m
<b>Cash flows from operating activities</b>				
Cash generated from operations	17	53.1	55.8	109.1
Income tax paid		(15.2)	(12.6)	(21.1)
<b>Net cash inflows from operating activities</b>		<b>37.9</b>	<b>43.2</b>	<b>88.0</b>
<b>Cash flows from investing activities</b>				
Purchase of intangible assets	9	(3.1)	(1.9)	(2.9)
Purchase of property, plant and equipment	10	(1.1)	(0.3)	(0.6)
Purchase of financial assets at FVTPL <sup>1</sup>		(329.2)	(61.3)	(187.0)
Proceeds from disposal of financial assets at FVTPL <sup>2</sup>		154.1	62.1	131.1
Cash movement from funds no longer consolidated <sup>3</sup>		(0.1)	(1.5)	(3.1)
Dividend income received		0.5	0.3	0.5
Interest income received <sup>4</sup>		3.6	1.3	5.4
<b>Net cash outflows from investing activities</b>		<b>(175.3)</b>	<b>(1.3)</b>	<b>(56.6)</b>
<b>Cash flows from financing activities</b>				
Dividends paid	16	(17.6)	(2.6)	(35.2)
Purchase of shares by EBT	15	(0.9)	(24.4)	(24.5)
Purchase of shares for cancellation	14	-	(2.0)	(2.0)
Finance costs paid <sup>4</sup>		(4.5)	(4.5)	(4.6)
Cash paid in respect of lease arrangements		(4.1)	(3.0)	(4.9)
Third-party subscriptions into consolidated funds		116.9	29.9	63.0
Third-party redemptions from consolidated funds		(15.3)	(30.0)	(34.1)
Distributions paid by consolidated funds		-	(0.5)	(0.1)
<b>Net cash inflows/(outflows) from financing activities</b>		<b>74.5</b>	<b>(37.1)</b>	<b>(42.4)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(62.9)</b>	<b>4.8</b>	<b>(11.0)</b>
Cash and cash equivalents at beginning of period		268.2	280.3	280.3
Effects of exchange rates on cash and cash equivalents		1.6	(1.1)	(1.1)
<b>Cash and cash equivalents at end of period</b>	12	<b>206.9</b>	<b>284.0</b>	<b>268.2</b>

<sup>1</sup> Includes purchases of seed investments and fund units used as a hedge against compensation awards linked to the value of those funds and, where the Group's investment in seed is judged to give it control of a fund, purchases of financial assets by that fund.

<sup>2</sup> Includes proceeds from disposals of seed investments and, where the Group's investment in seed is judged to give it control of a fund, disposals of financial assets by that fund.

<sup>3</sup> Comprises cash and cash equivalents held by a fund at the point that the Group ceases to control the fund and it is no longer consolidated.

<sup>4</sup> In the Group's 2023 Interim Report and Accounts, these lines were aggregated as 'Net finance costs paid'.

## Notes to the Group financial statements



## Introduction

Jupiter Fund Management plc (the Company) and its subsidiaries (together, the Group) offer a range of asset management products. Through its subsidiaries, the Group acts as an investment manager to authorised unit trusts, SICAVs, ICVCs, OEICs, investment trust companies, pension funds and other specialist funds. At 30 June 2024, the Group had offices in the United Kingdom, Ireland, Germany, Hong Kong, Italy, Luxembourg, Singapore, Spain, Sweden and Switzerland.

## Basis of preparation and other accounting policies

Within this Interim Report and Accounts, all current and comparative data covering periods to (or as at) 30 June are unaudited. Data given in respect of the year ended 31 December 2023 is audited. Information which is the required content of the Interim Management Report can be found on pages 1 to 6, 23, and 25 to 28.

These condensed financial statements for the six months ended 30 June 2024 have been prepared in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the Financial Conduct Authority and with UK-adopted International Accounting Standard IAS 34 *Interim Financial Reporting*. The condensed financial statements should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2023, which were prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The condensed financial statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 December 2023 were approved by the Board on 22 February 2024 and delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498 of the Companies Act 2006. The condensed financial statements have been reviewed, not audited.

The Group is able to operate within its available resources even in a stressed scenario. The Directors have not identified any material uncertainties to the Group's ability to continue to adopt the going concern basis. As a consequence, the Directors have a reasonable expectation that the Group has adequate resources to continue operating for a period of at least 12 months from the date of approval of the condensed financial statements. Accordingly, they continue to adopt the going concern basis of accounting in preparing these financial statements.

## New accounting standards

The International Accounting Standards Board (IASB) and IFRS Interpretations Committee (IC) have issued a number of new accounting standards and interpretations and amendments to existing standards and interpretations. Other than IFRS 18, there are no IFRSs or IFRS IC interpretations that are not yet effective that would be expected to have a material impact on the Group.

The IASB issued IFRS 18 *Presentation and Disclosure in Financial Statements* on 9 April 2024. The standard, which is effective for periods beginning on or after 1 January 2027, aims to improve comparability and transparency of communication in financial statements, and replaces IAS 1 *Presentation of Financial Statements*. The Group has not applied IFRS 18 in these financial statements.

IFRS 18 introduces new presentational requirements within the income statement, including specified totals and sub-totals. It also requires disclosure of management-defined performance measures and requirements for aggregation and disaggregation of financial information based on the identified roles of the primary financial statements and notes to the accounts. The new requirements are expected to impact the presentation, but not the recognition or measurement, of items in the income statement, the cash flow statement and relevant notes to the accounts, including what the Group currently reports as its 'Operating profit'.

## Accounting policies

The accounting policies applied are consistent with those applied in the Group's annual financial statements for the year ended 31 December 2023.

## 1. Revenue

The Group's primary source of recurring revenue is management fees. Management fees are charged for investment management or administrative services and are normally based on an agreed percentage of AUM. Initial charges and commissions are for additional administrative services at the beginning of a client relationship, as well as ongoing administrative costs. Performance fees may be earned from some funds or clients when agreed performance conditions are met. Net revenue is stated after fee and commission expenses to intermediaries for ongoing services under distribution agreements.

	Six months ended 30 June 2024 £m	Six months ended 30 June 2023 £m	Year ended 31 December 2023 £m
Management fees	187.5	198.5	389.9
Initial charges and commissions	1.2	1.3	2.5
Performance fees	3.9	0.4	13.2
<b>Revenue</b>	<b>192.6</b>	<b>200.2</b>	<b>405.6</b>
Fee and commission expenses relating to management fees	(18.5)	(18.7)	(35.9)
Fees and commission expenses relating to initial charges and commissions	(0.4)	(0.5)	(0.9)
<b>Net revenue</b>	<b>173.7</b>	<b>181.0</b>	<b>368.8</b>

## 2. Segmental reporting

The Group offers a range of products and services through different distribution channels. All financial, business and strategic decisions are made centrally by the Board of Directors (the Board), which determines the key performance indicators of the Group. Information is reported to the chief operating decision maker, the Board, on a single segment basis. While the Group has the ability to analyse its underlying information in different ways, for example by product type, this information is only used to allocate resources and assess performance for the Group as a whole. On this basis, the Group considers itself to be a single-segment investment management business.

### 3. Administrative expenses

	Six months ended 30 June 2024	Six months ended 30 June 2023	Year ended 31 December 2023
	£m	£m	£m
Staff costs	81.2	79.3	159.6
Depreciation of property, plant and equipment	2.8	2.6	5.2
Other administrative expenses	46.5	51.2	102.1
<b>Administrative expenses before net (gains)/losses arising from economic hedging of fund awards</b>	<b>130.5</b>	<b>133.1</b>	<b>266.9</b>
Net (gains)/losses on instruments held to provide an economic hedge for fund awards	(1.4)	1.3	(1.5)
<b>Total administrative expenses</b>	<b>129.1</b>	<b>134.4</b>	<b>265.4</b>

### 4. Other gains

Other gains relate principally to net gains made on the Group's seed investment portfolio and derivative instruments held to provide economic hedges against that portfolio. The portfolio and derivatives are held at FVTPL (see Note 11). Gains and losses on these investments comprise both realised and unrealised amounts.

	Six months ended 30 June 2024	Six months ended 30 June 2023	Year ended 31 December 2023
	£m	£m	£m
Dividend income	0.5	0.3	0.6
Net gains on financial instruments designated at FVTPL upon initial recognition	9.6	2.5	8.2
Net losses on financial instruments at FVTPL	(6.6)	(2.4)	(5.6)
<b>Other gains</b>	<b>3.5</b>	<b>0.4</b>	<b>3.2</b>

### 5. Finance income and finance costs

Finance income comprises income earned on the Group's cash and cash equivalents, being bank deposits and investments in short-term money market funds. Interest on cash and cash equivalents is recognised on an accrual basis using the effective interest method.

	Six months ended 30 June 2024	Six months ended 30 June 2023	Year ended 31 December 2023
	£m	£m	£m
Interest on bank deposits	1.9	1.3	3.5
Interest on short-term money market fund investments	2.2	-	2.3
	<b>4.1</b>	<b>1.3</b>	<b>5.8</b>

Finance costs principally relate to interest payable on Tier 2 subordinated debt notes (see Note 13) and the unwinding of the discount applied to lease liabilities. Finance costs also include ancillary charges for commitment fees and arrangement fees associated with the revolving credit facility. Interest payable is charged on an accrual basis using the effective interest method.

	Six months ended 30 June 2024	Six months ended 30 June 2023	Year ended 31 December 2023
	£m	£m	£m
Interest on subordinated debt	2.3	2.3	4.5
Interest on lease liabilities	0.7	0.7	1.5
Finance cost on the revolving credit facility	0.1	0.1	0.2
	<b>3.1</b>	<b>3.1</b>	<b>6.2</b>

6. Income tax expense

Analysis of charge in the period:

	Six months ended 30 June 2024 £m	Six months ended 30 June 2023 £m	Year ended 31 December 2023 £m
<b>Current tax</b>			
Tax on profits for the period	13.7	12.7	24.1
Adjustments in respect of prior periods	(0.1)	-	(0.7)
<b>Total current tax</b>	<b>13.6</b>	<b>12.7</b>	<b>23.4</b>
<b>Deferred tax</b>			
Origination and reversal of temporary differences	(3.1)	(2.1)	0.1
Adjustments in respect of prior periods	-	-	(1.2)
<b>Total deferred tax</b>	<b>(3.1)</b>	<b>(2.1)</b>	<b>(1.1)</b>
			<b>22.3</b>
<b>Income tax expense</b>	<b>10.5</b>	<b>10.6</b>	<b>22.3</b>

The weighted average UK corporate tax rate for 2024 FY is 25% (2023 FY: 23.5%). The UK corporation tax rate increased from 19% to 25% on 1 April 2023. The effective tax rate used for the period to 30 June 2024 is 27.1%, compared to 30.5% for the six months ended 30 June 2023.

The decrease in the effective tax rate is primarily due to an increase in fund unit share prices in 2024 compared to 2023. This benefit is slightly offset by a smaller adverse movement in the share price of share-based payments in 2024 compared to 2023. In addition, there was a greater level of disallowable expenditure in 2024 compared to 2023. Combined, these factors give rise to an effective tax rate of 27.1% which is slightly higher than the UK statutory rate of 25%.

7. Earnings per share (EPS)

Basic EPS is calculated by dividing the profit for the period attributable to equity holders of Jupiter Fund Management plc (the parent company of the Group) by the weighted average number of ordinary shares outstanding and contingently issuable during the period, less the weighted average number of own shares held. Own shares are shares held in an EBT for the benefit of employees under the vesting, lock-in and other incentive arrangements in place.

Diluted EPS is calculated by dividing the profit for the period (as used in the calculation of basic EPS) by the weighted average number of ordinary shares outstanding during the period for the purpose of basic EPS, plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The weighted average number of ordinary shares used in the calculation of EPS is as follows:

	Six months ended 30 June 2024 Number million	Six months ended 30 June 2023 Number million	Year ended 31 December 2023 Number million
Weighted average number of shares			
Issued share capital <sup>1</sup>	545.0	545.1	545.0
Add: Contingently issuable shares <sup>2</sup>	8.2	5.9	6.2
Less: Time-apportioned own shares held	(31.8)	(28.1)	(31.9)
<b>Weighted average number of ordinary shares for the purpose of basic EPS</b>	<b>521.4</b>	<b>522.9</b>	<b>519.3</b>
Add: Weighted average number of dilutive potential shares	7.2	8.8	<sup>3</sup>
<b>Weighted average number of ordinary shares for the purpose of diluted EPS</b>	<b>528.6</b>	<b>531.7</b>	<b>519.3</b>

<sup>1</sup>The Group purchased and cancelled 1.4m ordinary shares during the first half of 2023 (see Note 14).

<sup>2</sup>Contingently issuable shares relate to vested but unexercised share-based payment awards at the balance sheet date.

<sup>3</sup>Potential shares can only be treated as dilutive if their conversion to ordinary shares increases the loss per share. As the impact of including potential shares in the calculation of 2023 EPS would be to decrease the loss per share, they have been excluded from the calculation.

	Six months ended 30 June 2024 Pence	Six months ended 30 June 2023 Pence	Year ended 31 December 2023 Pence
EPS			
Basic	5.4	4.6	(2.5)
Diluted	5.3	4.6	(2.5)

#### 8. Goodwill

Goodwill arising on acquisitions, being the excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired, is capitalised in the consolidated balance sheet. Goodwill is carried at cost less provision for impairment. The carrying value of goodwill is not amortised but is tested annually for impairment or more frequently if any indicators of impairment arise. Goodwill is allocated to cash-generating units (CGUs) for the purpose of impairment testing, with the allocation to those CGUs or groups of CGUs that are expected to benefit from the business combination in which the goodwill arose. Impairment losses on goodwill are not reversed.

Goodwill relates to the 2007 acquisition of Knightsbridge Asset Management Limited (KAML) and the 2020 acquisition of Merian Global Investors Limited (Merian).

	30 June 2024		30 June 2023		31 December 2023
	£m		£m		£m
Goodwill	494.4	5	570.6		494.4
	<b>494.4</b>		<b>570.6</b>		<b>494.4</b>

The Group operates as a single asset management business segment and does not allocate costs between investment strategies or individual funds. The businesses acquired to which the goodwill relates are fully integrated and are not separately measured or monitored. It is not possible to assign any reduction in the Group's profitability between the acquired businesses, and therefore we adopt a single CGU and consider our impairment test based on Group-wide cash generation to calculate the recoverable amount of the goodwill, using the higher of the value in use (VIU) and fair value less costs of disposal of the CGU, and comparing this to the carrying value of the CGU.

For the impairment test, the recoverable amount for the goodwill asset is calculated using a value in use approach, based on the net present value of the Group's future earnings. The net present value is calculated using a discounted cash flow model, with the following key assumptions:

- The Group's projected base case forecast cash flows over a period of four and a half years to the end of 2028, which includes an assumption of annual revenue growth based on our expectations of AUM growth, client fee rates and performance fees. The data has been taken from the five-year plan, which was approved by the Board in February 2024, updated for actual results to 30 June 2024;
- Long-term growth rates of 2% (2023 FY: 2%) were used to calculate terminal value; and
- A post-tax discount rate of 14.8% (2023 FY: 13.2%) was calculated using the capital asset pricing model. Using a pre-tax discount rate of 19.1% (2023 FY: 17.0%) on pre-tax profitability and cash flows does not produce a materially different result.

The impairment test performed indicates positive headroom of recoverable amount over carrying value of £45m at 30 June 2024. The value in use of the asset is higher than its fair value less costs of disposal. Our conclusion therefore is that the Group's goodwill asset is not currently impaired.

The sensitivity of the Group's current headroom position to reasonably possible changes in key assumptions used in the value in use calculation is shown in the table below.

Key variable	Reasonably possible adverse movement	Reduction in headroom £m
Discount rate	+1%	43
Terminal growth rate movement	-1%	27
Decrease in revenue	-10%	188 <sup>1</sup>

<sup>1</sup>The decrease in revenue represents a modelled percentage reduction in each year projected in the Group's base case forecast cash flows.

The sensitivities modelled above represent the estimated impact on each metric in isolation and make no allowance for actions management would take to reduce costs should the Group experience future reductions in AUM or profitability.

#### 9. Intangible assets

At 30 June 2024, intangible assets comprise computer software. In prior periods, intangible assets principally comprised investment management contracts acquired as part of the Merian transaction. These contract assets are now fully amortised.

During the period, the Group acquired computer software of £3.1m (2023 H1: £1.9m, 2023 FY: £2.9m). There were no

During the period, the Group acquired computer software of £5.1m (2023 H1: £1.9m, 2023 FY: £2.9m). There were no disposals (2023 H1 and 2023 FY: same). These assets are amortised on a straight-line basis over their estimated useful lives, which are estimated as being between five and ten years.

The amortisation charge for the period was £10.4m (2023 H1: £10.4m, 2023 FY: £20.6m).

	30 June 2024 £m	30 June 2023 £m	31 December 2023 £m
Intangible assets	10.2	26.7	17.5
	<b>10.2</b>	<b>26.7</b>	<b>17.5</b>

The management statement of this document refers to exceptional items of £9.2m (2023 H1: £9.4m, 2023 FY: £18.8m) relating to amortisation of intangible assets. This charge is in respect of the Merian acquisition in 2020.

#### 10. Property, plant and equipment

The net book value of property, plant and equipment at 30 June 2024 was £35.8m (2023 H1: £38.9m, 2023 FY: £37.5m). During the period, the Group acquired items of property, plant and equipment (excluding right-to-use leased assets) with a value of £1.1m (2023 H1: £0.3m, 2023 FY: £0.6m). Additions to the right-of-use leased assets during the period were £nil (2023 H1: £0.3m, 2023 FY: £0.6m).

#### 11. Financial instruments

As at 30 June 2023, the Group held the following classes of financial instruments, which principally comprise seed investments and assets held to hedge compensation awards:

	30 June 2024 £m	30 June 2023 £m	31 December 2023 £m
<b>Financial assets</b>			
Investments in associates	1.2	-	-
Direct seed investment at fair value	145.0	65.2	87.5
Financial assets due to consolidation of funds	244.3	44.6	76.8
Derivatives and fund unit hedges	63.5	57.0	55.1
<b>Financial assets at FVTPL</b>	<b>454.0</b>	<b>166.8</b>	<b>219.4</b>
Financial assets at amortised cost	15.9	-	13.4
	<b>469.9</b>	<b>166.8</b>	<b>232.8</b>

	30 June 2024 £m	30 June 2023 £m	31 December 2023 £m
<b>Financial liabilities at FVTPL</b>			
Financial liabilities due to consolidation of funds	(250.8)	(48.5)	(80.2)
Derivatives	(0.1)	-	(0.1)
	<b>(250.9)</b>	<b>(48.5)</b>	<b>(80.3)</b>

#### 12. Cash and cash equivalents

	30 June 2024 £m	30 June 2023 £m	31 December 2023 £m
Cash at bank and in hand	100.9	281.1	137.5
Cash equivalents	102.2	-	128.4
Cash held by the EBT and seed investment subsidiaries	3.8	2.9	2.3
<b>Total cash and cash equivalents</b>	<b>206.9</b>	<b>284.0</b>	<b>268.2</b>

Cash and cash equivalents have an original maturity of three months or less. Cash at bank earns interest at the current prevailing daily bank rates. Cash equivalents comprise units in short-term money market funds that can readily be converted into known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash held by the EBT and seed investment subsidiaries is not available for use by the Group.

#### 13. Loans and borrowings

On 27 April 2020 the Group issued £50.0m of Tier 2 subordinated debt notes at a discount of £0.5m. Issue costs

were £0.5m and the net proceeds were therefore £49.0m. These notes will mature on 27 July 2030 and bear interest at a rate of 8.875% per annum to 27 July 2025, and at a reset rate thereafter. The Group has the option to redeem all of the notes from 27 April 2025 onwards.

	30 June 2024 £m	30 June 2023 £m	31 December 2023 £m
Subordinated debt in issue	49.8	49.6	49.7
	<b>49.8</b>	<b>49.6</b>	<b>49.7</b>

#### 14. Share capital

In early 2023, the Group purchased and cancelled 1.4m shares at a cost of £2.0m. On cancellation of the shares, an amount equal to their nominal value was transferred to a capital redemption reserve which forms part of 'Other reserves', as detailed in Note 15.

	30 June 2024 million	30 June 2023 million	31 December 2023 million
Ordinary shares of 2p each	545.0	545.0	545.0
	<b>545.0</b>	<b>545.0</b>	<b>545.0</b>

	Number of ordinary shares			Par value		
	30 June 2024 m	30 June 2023 m	31 December 2023 m	30 June 2024 £m	30 June 2023 £m	31 December 2023 £m
<b>Movement in ordinary shares</b>						
At 1 January	545.0	546.4	546.4	10.9	10.9	10.9
Shares cancelled	-	(1.4)	(1.4)	-	-	-
<b>At the end of the period</b>	<b>545.0</b>	<b>545.0</b>	<b>545.0</b>	<b>10.9</b>	<b>10.9</b>	<b>10.9</b>

#### 15. Reserves

##### (i) Own share reserve

The Group operates an EBT for the purpose of satisfying certain retention awards to employees. The holdings of this trust, which is funded by the Group, include shares in Jupiter Fund Management plc that have not vested unconditionally to employees of the Group. These shares are recorded at cost and are classified as own shares and are used to settle obligations that arise from the vesting of share-based awards.

During the period, the Group purchased 1.2m (2023 H1: 18.4m, 2023 FY: 18.7m) ordinary shares with a par value of £0.1m (2023 H1: £0.4m, 2023 FY: £0.4m) for the purpose of satisfying share option obligations to employees. The full cost of the purchases was £0.9m (2023 H1: £24.4m, 2023 FY: £24.5m). The Group disposed of 4.4m (2023 H1: 3.4m, 2023 FY: 7.7m) own shares to employees in satisfaction of share-based awards with a nominal value of £0.1m (2023 H1: £0.1m, 2023 FY: £0.2m). At 30 June 2024, 30.7m (2023 H1: 37.9m, 2023 FY: 33.9m) ordinary shares, with a par value of £0.6m (2023 H1: £0.8m, 2023 FY: £0.7m), were held as own shares within the Group's EBT.

##### (ii) Other reserves

Other reserves comprise the merger relief reserve of £242.1m (2023 H1 and 2023 FY: £242.1m) formed on the acquisition of Merian in 2020, £8.0m (2023 H1 and 2023 FY: £8.0m) that relates to the conversion of Tier 2 preference shares in 2010, and £0.2m (2023 H1: £0.2m, 2023 FY: £0.2m) of capital redemption reserve that was transferred from share capital on the cancellation of shares repurchased in 2022 and 2023 (see Note 14).

##### (iii) Foreign currency translation reserve

The foreign currency translation reserve of £1.2m (2023 H1: £1.6m, 2023 FY: £2.0m) is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

##### (iv) Retained earnings

Retained earnings of £543.8m (2023 H1: £586.7m, 2023 FY: £527.0m) are the amount of earnings that are retained within the Group after dividend payments and other transactions with owners.

#### 16. Dividends

On 20 May 2024 the Group paid a final dividend for 2023 of 3.4p per ordinary share. This amounted to a total payment of £17.6m after taking into account the £0.9m dividends waived on shares held in the EBT.

The Board has declared an interim dividend for the period of 3.2p per ordinary share. This dividend will be paid on 4 September 2024 to ordinary shareholders on the register at close of business on 9 August 2024 and amounts to £17.4m before adjusting for any dividends waived on shares in the EBT.

17. Cash flows generated from operating activities

	Six months ended 30 June 2024 £m	Six months ended 30 June 2023 £m	Year ended 31 December 2023 £m
<b>Operating profit</b>	<b>37.7</b>	<b>36.6</b>	<b>86.0</b>
<b>Adjustments for:</b>			
Amortisation of intangible assets	10.4	10.4	20.6
Depreciation of property, plant and equipment	2.8	2.6	5.2
Other net (gains)/losses <sup>1</sup>	(7.8)	0.3	(5.0)
(Gains)/losses on fund unit hedges <sup>2</sup>	(1.4)	1.3	(1.5)
Share-based payments	7.2	10.2	18.5
Increase in trade and other receivables <sup>3</sup>	(14.8)	(80.9)	(14.4)
Increase/(decrease) in trade and other payables <sup>3</sup>	19.0	75.3	(0.3)
<b>Cash generated from operations</b>	<b>53.1</b>	<b>55.8</b>	<b>109.1</b>

<sup>1</sup>Comprises the reversal of items included in 'Other gains' in the income statement that relate either to unrealised gains or losses, or to cash flows relating to the disposal of financial assets other than derivative contracts. Cash flows relating to disposals are included in the Cash flow statement within 'Proceeds from disposals of financial assets at FVIFPL'.

<sup>2</sup>Comprises the reversal of net losses on instruments held to provide an economic hedge for funds awards that are recognised within Administrative expenses (Note 3). Cash flows arising from the disposals of such instruments are included in the Cash flow statement, in line with footnote 1 above.

<sup>3</sup>Amounts reported in these lines can differ from the movement in the balance sheet where cash flows that form part of that movement are separately reported in a different line of the Cash flow statement or its notes. In 2023 and 2024, these differences are principally in respect of cash flow movements relating to consolidated funds. For trade and other payables, additionally, cash flows arising from movements in lease liabilities are presented on the face of the Cash flow statement.

18. Changes in liabilities arising from financing activities

	Financial liabilities at FVIFPL £m	Loans and borrowings <sup>1</sup> £m	Leases £m	Total £m
<b>Brought forward at 1 January 2023</b>	<b>48.6</b>	<b>49.5</b>	<b>46.3</b>	<b>144.4</b>
New leases	-	-	0.3	0.3
Changes from financing cash flows	(0.1) <sup>2</sup>	-	(3.0)	(3.1)
Changes arising from obtaining or losing control of consolidated funds	(0.4)	-	-	(0.4)
Changes in fair value	0.4	-	-	0.4
Interest expense	-	0.1	0.7	0.8
Lease reassignment and modifications	-	-	0.6	0.6
<b>Liabilities arising from financing activities carried forward at 30 June 2023</b>	<b>48.5</b>	<b>49.6</b>	<b>44.9</b>	<b>143.0</b>
New leases	-	-	0.3	0.3
Changes from financing cash flows	29.0 <sup>2</sup>	-	(1.9)	27.1
Changes arising from obtaining or losing control of consolidated funds	(0.8)	-	-	(0.8)
Changes in fair value	3.5	-	-	3.5
Interest expense	-	0.1	0.8	0.9
<b>Liabilities arising from financing activities carried forward at 31 December 2023</b>	<b>80.2</b>	<b>49.7</b>	<b>44.1</b>	<b>174.0</b>
Changes from financing cash flows	101.6 <sup>2</sup>	-	(4.1)	97.5
Changes arising from obtaining or losing control of consolidated funds	68.9	-	-	68.9
Changes in fair value	0.1	-	-	0.1
Interest expense	-	0.1	0.7	0.8
<b>Liabilities arising from financing activities carried forward at 30 June 2024</b>	<b>250.8</b>	<b>49.8</b>	<b>40.7</b>	<b>341.3</b>

Notes

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<sup>1</sup>Accrued interest on loans and borrowings is recorded within 'Trade and other payables' and is therefore not included in this analysis. The interest expense above comprises the charge arising from unwinding the discount applied in calculating the amortised cost of the subordinated debt.

<sup>2</sup>Comprises cash flows from third-party subscriptions into consolidated funds, net of redemptions (see Cash flow statement).

## 19. Financial instruments

Financial instruments held at fair value are carried at a value which represents the price to exit the instruments at the balance sheet date. The fair value of financial instruments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business on the balance sheet date. Where a quoted market price is not available, the Group establishes the fair value using valuation techniques such as recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis or other valuation models. For financial instruments not held at fair value, their carrying amount is a reasonable approximation of their fair value.

The Group used the following hierarchy for determining and disclosing the fair value of financial instruments:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: other techniques, for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data (unobservable inputs).

As at 30 June 2024, the Group held the following financial instruments measured at fair value:

	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Financial assets - investments in funds	257.0	197.0	-	454.0
Financial liabilities - non-controlling interests in consolidated funds	(250.8)	-	-	(250.8)
Financial liabilities - derivatives	-	(0.1)	-	(0.1)
	<b>6.2</b>	<b>196.9</b>	<b>-</b>	<b>203.1</b>

As at 30 June 2023, the Group held the following financial instruments measured at fair value:

	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Financial assets - investments in funds	122.0	44.6	-	166.6
Financial assets - derivatives	-	0.2	-	0.2
Financial liabilities - non-controlling interests in consolidated funds	(48.5)	-	-	(48.5)
	<b>73.5</b>	<b>44.8</b>	<b>-</b>	<b>118.3</b>

As at 31 December 2023, the Group held the following financial instruments measured at fair value:

	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Financial assets - investments in funds	141.7	77.7	-	219.4
Financial liabilities - non-controlling interests in consolidated funds	(80.2)	-	-	(80.2)
Financial liabilities - derivatives	-	(0.1)	-	(0.1)
	<b>61.5</b>	<b>77.6</b>	<b>-</b>	<b>139.1</b>

## 20. Related party transactions

All related party transactions during the period are consistent with those disclosed in the Annual Report and Accounts for the year ended 31 December 2023 and have taken place on an arm's length basis.

No new related parties or related party transactions that materially affect the financial position or performance of the Group existed or occurred during the period.

# Statement of Directors' responsibilities

Statements relating to the preparation of the Financial Statements

We confirm that to the best of our knowledge:



The condensed set of financial statements has been prepared in accordance with UK-adopted International Accounting Standard 34, 'Interim Financial Reporting' as required by the Companies Act 2006 and gives a true and fair view of the assets, liabilities, financial position and profits of the Group for the period ended 30 June 2024.

The interim report includes a fair review of the information required by:

- a) DTR 4.2.7R of the Guidance, being an indication of important events that have occurred during the first six months of the current financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
- b) DTR 4.2.8R of the Guidance, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the Group during that period; and any changes in the related party transactions described in the last Annual Report and Accounts that could have a material effect on the financial position or performance of the Group in the past six months of the current financial year.

A list of the Directors of Jupiter Fund Management plc can be found in the Annual Report and Accounts for the year ended 31 December 2023. A current list of Directors is maintained on the website at [www.jupiteram.com](http://www.jupiteram.com).

On behalf of the Board

Wayne Mepham  
Chief Financial & Operating Officer

25 July 2024

## Principal risks and mitigations

The Group is exposed to various risk types in pursuing its business objectives, which can be driven by both internal and external factors. Understanding and managing these risks is a regulatory requirement but also imperative to the success of the business. Our principal risks, as disclosed in the Group's 2023 Annual Report and Accounts, remain unchanged and our risk profile has remained stable during the first half of 2024.

Jupiter's regulatory engagement remains a key area of focus and we continue to engage with our Regulators in an open and transparent manner, appropriately managing changes to our regulatory landscape and any resulting regulatory divergence.

Technology and Information Security risk remains a key area of focus due to the risk posed from a successful cyber-attack and we continue to maintain a robust control environment in this area of the business, reducing vulnerabilities where possible.

Outsourcing is a key component of our business strategy and Jupiter relies on third-party relationships to deliver our business services. In addition, understanding and managing our People risk is essential to the success of our business to ensure we meet our evolving operational and regulatory needs.

We believe that the Group remains well positioned and equipped to respond to any further volatility in the markets in a way that continues to mitigate risk and protect our client interests. Looking forward to the second half of 2024 and beyond we continue to leverage the Group's Enterprise Risk Management framework to identify any key emerging risks which may further impact our overall risk profile to ensure we are well positioned to understand and manage them in line with the Group's risk appetite.

## Alternative performance measures

The use of alternative performance measures (APMs)

The Group uses APMs for two principal reasons:

- We use ratios to provide metrics for users of the accounts; and
- We use revenue, expense and profitability-based APMs to explain the Group's underlying profitability.

Ratios

The Group calculates ratios to provide comparable metrics for users of the accounts. These ratios are derived from other APMs that measure underlying revenue and expenditure data.

In this document, we have used the following ratios:

	APM	Six months ended 30 June 2024	Six months ended 30 June 2023	Year ended 31 December 2023	Definition	Reconciliation
1	Cost: income ratio	74%	71%	73%	Administrative expenses before exceptional items and performance fee costs divided by net revenue before performance fees	See table 1 below
2	Net management fee margin	65bps	71bps	70bps	Net management fees divided by average AUM	
3	Total compensation ratio	46%	43%	43%	Compensation costs before exceptional items as a proportion of net revenue	
4	Total compensation ratio before performance fees	45%	41%	42%	Compensation costs before exceptional items and performance fee costs as a proportion of net revenue before performance fees	
5	Underlying EPS	6.6p	6.7p	14.8p	Underlying profit after tax attributable to equity holders of the parent divided by average issued share capital	
6	Underlying EPS before performance fee profits/losses	6.4p	7.1p	13.8p	Underlying profit after tax before performance fee profits/losses attributable to equity holders of the parent divided by average issued share capital	

Reconciliation of reported IFRS numbers to APMs: table 1

	APM	Six months ended 30 June 2024 £m	Six months ended 30 June 2023 £m	Year ended 31 December 2023 £m
Administrative expenses (page 7)		129.1	134.4	265.4
Less: Performance fee costs (page 5)		(2.6)	(3.5)	(6.4)
Less: Exceptional items included in administrative expenses (page 5)		-	(2.2)	(0.8)
<b>Administrative expenses before exceptional items and performance fee costs</b>		<b>126.5</b>	<b>128.7</b>	<b>258.2</b>
Net revenue (page 7)		173.7	181.0	368.8
Less: Performance fees (page 12)		(3.9)	(0.4)	(13.2)
<b>Net revenue before performance fees</b>		<b>169.8</b>	<b>180.6</b>	<b>355.6</b>
<b>Cost: income ratio</b>	<b>1</b>	<b>74%</b>	<b>71%</b>	<b>73%</b>
Management fees (page 12)		187.5	198.5	389.9
Less: Fees and commissions relating to management fees (page 12)		(18.5)	(18.7)	(35.9)
<b>Net management fees</b>		<b>169.0</b>	<b>179.8</b>	<b>354.0</b>
<b>Average AUM (£bn) (page 4)</b>		<b>52.1</b>	<b>50.9</b>	<b>50.9</b>
<b>Net management fee margin</b>	<b>2</b>	<b>65bps</b>	<b>71bps</b>	<b>70bps</b>
Compensation costs before exceptional items (page 5)		79.8	78.4	157.3
Net revenue (see above)		173.7	181.0	368.8
<b>Total compensation ratio</b>	<b>3</b>	<b>46%</b>	<b>43%</b>	<b>43%</b>
Compensation costs before exceptional items and performance fee costs (page 5)		77.2	74.9	150.9
Net revenue before performance fees (see above)		169.8	180.6	355.6
<b>Total compensation ratio before performance fees</b>	<b>4</b>	<b>45%</b>	<b>41%</b>	<b>42%</b>
Statutory profit before tax (page 7)		28.7	24.8	0.4

Statutory profit before tax (page 7)	30.1	34.0	34.4
Exceptional items (page 5)	9.2	11.6	95.8
<b>Underlying profit before tax</b>	<b>47.9</b>	<b>46.4</b>	<b>105.2</b>
Tax at average statutory rate of 25.0% (2023 H1: 22.0% and 2023 FY: 23.5%) <sup>1</sup>	(12.0)	(10.2)	(24.7)
<b>Underlying profit after tax</b>	<b>35.9</b>	<b>36.2</b>	<b>80.5</b>
Loss attributable to non-controlling interests (page 9)	-	0.1	-
<b>Underlying profit after tax attributable to equity shareholders of the parent</b>	<b>35.9</b>	<b>36.3</b>	<b>80.5</b>
<b>Average issued share capital (m) (page 15)</b>	<b>545.0</b>	<b>545.1</b>	<b>545.0</b>
<b>Underlying EPS</b>	<b>5</b>	<b>6.6p</b>	<b>6.7p</b>

<sup>1</sup> Actual effective tax rates applicable to underlying profit before tax were 26.7% in 2024 H1, 29.9% in 2023 H1 and 25.6% in 2023 FY.

Underlying profit before tax (see above)	47.9	46.4	105.2
Less: Performance fee (profits)/losses (page 5)	(1.3)	3.1	(6.8)
Tax at average statutory rate of 25.0% (2023 H1: 22.0% and 2023 FY: 23.5%) <sup>2</sup>	(11.7)	(10.9)	(23.1)
<b>Underlying profit after tax before performance fees</b>	<b>34.9</b>	<b>38.6</b>	<b>75.3</b>
Loss attributable to non-controlling interests (see above)	-	0.1	-
<b>Underlying profit after tax attributable to equity shareholders of the parent before performance fees</b>	<b>34.9</b>	<b>38.7</b>	<b>75.3</b>
<b>Average issued share capital (m) (see above)</b>	<b>545.0</b>	<b>545.1</b>	<b>545.0</b>
<b>Underlying EPS before performance fee (profits)/losses</b>	<b>6</b>	<b>6.4p</b>	<b>7.1p</b>

<sup>2</sup> Actual effective tax rates applicable to underlying profit before tax were 26.6% in 2024 H1, 29.5% in 2023 H1 and 25.7% in 2023 FY.

#### Revenue, expense and profit-related measures

- 1) Asset managers commonly draw out subtotals of revenues less cost of sales, taking into account items such as fee expenses, including commissions payable, without which a proportion of the revenues would not have been earned. Such net subtotals can also be presented after deducting non-recurring exceptional items.
- 2) The Group uses expense-based APMs to identify and separate out non-recurring exceptional items or recurring items that are of significant size in order to provide useful information for users of the accounts who wish to determine the underlying cost base of the Group. To further assist in this, we also provide breakdowns of administrative expenses below the level required to be disclosed in the statutory accounts, for example, distinguishing between compensation and non-compensation expenditure. These subdivisions of expenditure are also presented before and after exceptional items and after accounting for the impact of performance fee pay-aways to fund managers.
- 3) Profitability-based APMs are effectively the sum of the above revenue and expense-based APMs and are provided for the same purpose - to separate out non-recurring exceptional items or recurring items that are of significant size in order to provide useful information for users of the accounts who wish to determine the underlying profitability of the Group.
- 4) Underlying profit after tax is, in addition, used to calculate underlying EPS which determines the Group's ordinary dividend per share and is used in one of the criteria for measuring the vesting rates of share-based awards that have performance conditions attached.

In this document, we have used the following measures which are reconciled or cross-referenced in table 1:

Measure	Rationale for use of measure
Net management fees	1
Exceptional items <sup>1</sup>	2
Net revenue	1
Performance fees	2
Compensation costs before exceptional items	2
Underlying profit before tax <sup>2</sup>	3
Underlying profit after tax <sup>2</sup>	3, 4

<sup>1</sup> Defined as items of income or expenditure that are significant in size and which are not expected to repeat over the short to medium term.

As stated in 2 above, the Group presents a breakdown of administrative expenses below the level required to be disclosed in the statutory accounts, distinguishing between compensation and non-compensation expenditure. The relevant amounts are set out in the table on page 5.

#### The impact of exceptional items on the financial statements

The Group has presented certain items as exceptional across all periods. Exceptional items are defined above.

These items principally relate to the Merian Global Investors Limited (Merian) acquisition in 2020. Further details of all items that are deemed exceptional are explained below, as well as within the relevant notes to the accounts and in the Management Statement.

The use of exceptional items and underlying profit measures

In the Management Statement of this document, the Group makes use of a number of APMs, including 'Underlying profit before tax'. The use of such measures means that financial results referred to in that section of this document may not be equal to the statutory results reported in the financial statements. Guidelines issued by the Financial Reporting Council require such differences to be reconciled.

'Underlying profit before tax' is equal to the statutory profit before tax after exceptional items. The financial statements do not refer to or use such measures, but the table below provides a reconciliation, indicating in which notes the exceptional items are recorded.

	Notes	Six months ended 30 June 2024 £m	Six months ended 30 June 2023 £m	Year ended 31 December 2023 £m
<b>Underlying profit before tax (page 1)</b>		<b>47.9</b>	<b>46.4</b>	<b>105.2</b>
Administrative expenses	3	-	(2.2)	(0.8)
Impairment of goodwill	8	-	-	(76.2)
Amortisation of intangible assets	9	(9.2)	(9.4)	(18.8)
<b>Statutory profit before tax</b>		<b>38.7</b>	<b>34.8</b>	<b>9.4</b>

Changes in the use of APMs

In previous periods, the Group had disclosed fixed staff costs and variable staff costs as separate line items within the management statement. Within this document, we have presented these two amounts as a single line item on page 5 as 'Compensation costs' and consequently on page 26, where it is used before and after performance fee costs as part of the Group's reconciliation of APMs. This change has been made in order to simplify the presentation.

# Independent Review Report to Jupiter Fund Management plc

Report on the condensed consolidated interim financial statements

## Conclusion

We have been engaged by Jupiter Fund Management plc (the 'Company') to review the condensed consolidated financial statements in the Interim Report and Accounts for the six months ended 30 June 2024 which comprise the Consolidated income statement, Consolidated statement of comprehensive income, Consolidated balance sheet, Consolidated statement of changes in equity, Consolidated statement of cash flows and explanatory notes 1 to 20. We have read the other information contained in the Interim Report and Accounts and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed consolidated set of financial statements.

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated set of financial statements in the Interim Report and Accounts for the six months ended 30 June 2024 is not prepared, in all material respects, in accordance with UK-adopted International Accounting Standard 34, "Interim Financial Reporting", and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

## Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in the Statement of Directors' responsibilities for the Interim Report and Accounts, the annual financial statements of the Company are prepared in accordance with UK-adopted international accounting standards. The condensed consolidated set of financial statements included in the Interim Report and Accounts has been prepared in accordance with UK-adopted International Accounting Standard 34, "Interim Financial Reporting".

#### Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for Conclusion section of this report, nothing has come to our attention to suggest that management have inappropriately adopted the going concern basis of accounting or that management have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with this ISRE, however future events or conditions may cause the entity to cease to continue as a going concern.

#### Responsibilities of the directors

The directors are responsible for preparing the Interim Report and Accounts in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the Interim Report and Accounts, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

#### Auditor's responsibilities for the review of financial information

In reviewing the half-yearly report, we are responsible for expressing to the Company a conclusion on the condensed consolidated set of financial statements in the half-yearly financial report. Our conclusion, including our Conclusions Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

#### Use of our report

This report is made solely to the Company in accordance with guidance contained in International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our work, for this report, or for the conclusions we have formed.

Ernst & Young LLP  
London  
25 July 2024

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