

**LONDON STOCK EXCHANGE ANNOUNCEMENT**

**JPMORGAN US SMALLER COMPANIES INVESTMENT TRUST PLC**

**HALF YEAR REPORT & FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED 30TH JUNE 2025**

Legal Entity Identifier: 549300MDD7SOXDMBN667

Information disclosed in accordance with the DTR 4.1.3

The Directors of JPMorgan US Smaller Companies Investment Trust plc (the 'Company') announce the Company's results for the six months ended 30th June 2025.

**Highlights:**

- NAV total return of -12.4% vs -10.3% for the Russell 2000 Index in sterling terms, the 'Benchmark'. Total return to shareholders of -18.7%.
- For the ten year period ended 30th June 2025, NAV total return of +140.3% compared to the benchmark Russell 2000 Index return of +123.7%. The total return to shareholders over the same period was +132.4%.
- The Company maintained a gearing level of 7.2% as of 30th June 2025. During the period, the Company renewed its loan facility, drawing US 35 million (£25.5 million) from Bank of America, with an additional US 5 million accordion option available.
- The Company repurchased 2,402,534 shares into Treasury at an average discount of 8.2% during the review period, as part of its active discount management program. Since the period end, a further 1,183,946 shares have been purchased.
- The ongoing charges ratio was 0.96% (annualised) for the six months ended 30th June 2025, compared to 0.92% for the year ended 31st December 2024.

**The Chair, Dominic Neary, commented:**

'While performance in the first half was disappointing when compared with the benchmark, it was not unexpected given the Company's investment style and the market backdrop. The Board remains firmly supportive of the Managers' disciplined approach, which has delivered strong long-term performance through market cycles. The Managers continue to invest in high-quality, entrepreneurial companies at the heart of the US economy, where we believe the best long-term opportunities lie.'

**Portfolio managers, Don San Jose, Jon Brachle and Dan Percella, commented:**

'Small cap earnings have been challenged by an uneven macro environment, including inflationary increases, high interest rates and weak industrial demand. It is important for shareholders to bear in mind that while long periods of underperformance by US small caps are normal throughout the history of this sector, they are often followed by strong outperformance.

We believe earnings growth can broaden out as re-shoring, deregulation, and clarity around interest rate and tariffs boost domestic investment and corporate sentiment. These conditions, combined with attractive relative valuations, suggest that history is set to repeat itself, and we believe the portfolio is well-positioned to benefit from the next bout

of small cap outperformance.'

## **CHAIR'S STATEMENT**

Dear Shareholders,

The first half of 2025 was marked by contrasting forces in US equity markets. Major indices reached record highs and volatility remained elevated. Initial optimism around the new administration's pro-growth agenda quickly gave way to concerns over tariffs, tighter immigration policy and shifting foreign policy priorities, which were seen as less supportive of growth. Although the market recovered towards the period end, the rally in US smaller companies was led by lower-quality businesses, creating headwinds for our disciplined, quality-focused investment approach.

Across the investment trust sector, corporate activity continued to run at record levels. In the first half of 2025, buybacks totalled £4.6 billion, exceeding the record set in the prior year, alongside £4.2 billion of cash returns to shareholders via tenders and wind-downs. The average discount on investment trusts narrowed modestly to 13.5% from 16% at the end of 2024, but North American mandates saw discounts widen - a trend to which your Company was not immune.

### **Performance**

Over the six months to 30th June 2025, the Company's net asset value (NAV) total return was -12.4%, underperforming the Russell 2000 Index which fell by 10.3%. A full explanation of portfolio performance is provided in the Investment Manager's Report.

The total return to shareholders was -18.7%, reflecting a widening in the share price discount to NAV from 1.8% at the end of 2024 to 8.8% on 30th June 2025 (average 5.4%).

### **Discount Management**

The Board remains committed to active discount management, and accordingly the Company repurchased 2,402,534 shares into Treasury at an average discount of 8.2% during the review period. Since the period end a further 1,183,946 shares have been purchased.

### **Continuation Vote**

At the AGM in June, shareholders voted in favour of the continuation of the Company for a further five years. On behalf of the Board, I thank you for this support. We believe strongly that the investment trust structure, combined with our long-term investment philosophy, continues to offer shareholders significant benefits.

### **Gearing**

The Company ended the period with gearing of 7.2%. At the beginning of the year the Company had fully drawn down its US 30 million (including the accordion) revolving credit facility with Scotiabank. The Board renewed the loan facility in March 2025 with a new provider, Bank of America. This new facility is for US 35 million, with a US 5 million accordion option.

### **Board and Succession Planning**

All Directors were re-elected at the June AGM. The Board currently consists of four non-executive Directors, with an appropriate balance of skills, diversity and experience. In line with our succession planning framework, Shefaly Yogendra will retire at the 2026 AGM. Following a search process with an external adviser, we are delighted to confirm the proposed appointment of Cindy Rampersaud as a Non-Executive Director with effect from 1st November 2025; she will stand for election to the Board by shareholders at the next AGM. Cindy is currently a Non-Executive Director of Sage Homes, the Deputy Chair and Audit and Risk Chair of the UK Health Security Agency, and a Non-Executive Director and a member of the council at Which? Consumer Association. Her previous roles include being Senior Independent Director and Audit and Risk Chair of the Hipgnosis Song Fund.

### **Outlook**

While performance in the first half was disappointing when compared with the benchmark, it was not unexpected given the Company's investment style and the market backdrop. The Board remains firmly supportive of the Managers' disciplined approach, which has delivered strong long-term performance through market cycles. The Managers continue to invest in high-quality, entrepreneurial companies at the heart of the US economy, where we believe the best long-term opportunities lie. Many of the conditions that have historically favoured this style are now in place, and while the timing of a recovery remains uncertain, we are confident that patient shareholders will be rewarded.

## Stay Informed

The Company delivers email updates with regular news and views, as well as up-to-date performance data. If you have not already signed up to receive these communications and you wish to do so, you can opt in via <https://tinyurl.com/JUSC-Sign-Up> or by scanning the QR in the Half Year Report.

The Board and I are keen to continue to develop our relationship with shareholders, and we therefore welcome your questions and observations via email at [JUSC.Chair@jpmorgan.com](mailto:JUSC.Chair@jpmorgan.com).

**Dominic Neary**

Chair  
2025

12th September

## INVESTMENT MANAGER'S REPORT

### Market Review

At the halfway mark of the Company's financial year, the S&P 500 achieved returns of +6% in US dollar terms. The six months to end June 2025 (1H 2025) saw US equity markets reach record highs. However, the period was also characterised by significant volatility in US equities, driven by geopolitical tensions and policy uncertainties. Initially, optimism prevailed as the S&P 500 reached a record high in February, buoyed by expectations of US 'exceptionalism' under a new Republican administration. However, this optimism quickly faded due to growth fears, tariff uncertainties, and cracks in the AI growth narrative, leading to sharp declines in the S&P 500, Nasdaq 100, and Russell 2000. These indices declined by 4.3%, 10.3%, and 9.5%, respectively, in the first quarter of 2025 (1Q 2025) - their worst quarterly performance since 2022. Big Tech companies, particularly the US's 'Magnificent 7,' fell into bear market territory, contributing significantly to the downturn. Meanwhile, Treasuries rallied, although 10-year yields fluctuated throughout the period, reflecting the market's response to changing economic conditions. In March, President Trump's aggressive tariff threats added to the uncertainty, affecting both corporate and consumer confidence. Fears of stagflation emerged, fuelled by the US Federal Reserve's March summary of economic projections, which showed upward revisions to its projections of both the unemployment rate and core inflation to 4.4% and 2.8%, respectively, by the end of 2025.

Despite these challenges, US equities showed resilience. Following the sharp sell-off in the 1Q 2025, which continued in early April, major indices rebounded impressively, ending the period at, or near, record highs, with the S&P 500 returning close to 11.0% in 2Q 2025. Investor confidence was restored thanks to some easing of trade tensions, combined with solid employment and corporate earnings reports and continued tame inflation data. A resurgence in the 'AI trade' added to the 'risk-on' market mood. US small caps entered a new bull market, led by the more speculative pockets of the market, although this was not sufficient to fully recoup 1Q 2025's losses. Large-cap stocks, as represented by the S&P 500 Index, returned +6% in US dollar terms, and -3% in GBP terms, due to the appreciation of sterling against the US dollar. Large caps outperformed the Company's benchmark, the small-cap Russell 2000 Index, which declined by 2% in US dollar terms, and by 10.3% in GBP terms. In terms of style, both value and growth posted similar returns.

### Performance

The Company's net asset value decreased by 12.4% (in GBP terms) in 1H 2025, underperforming its benchmark by 2.1 percentage points. Consistent with prior bear markets, the 2Q 2025 rally in small cap stocks was led by low-quality factors, which was a headwind to our performance, given our preference for higher-quality names.

Stock selection was the primary driver of underperformance, with the consumer staples and industrial sectors being the largest detractors. Within consumer staples, our exposure to **Freshpet**, a pet food supplier, was the largest detractor. The stock performed very strongly in 2024 but weakened in 1H 2025 primarily due to a noticeable slowdown in sales growth, which led to a reduction in the company's 2025 guidance. While Freshpet maintained its focus on margins and cash generation, the market reacted negatively to the revised outlook. However, we maintain conviction in the investment case for Freshpet, due to its potential for growing market share in the sector. We took the opportunity created by recent share price weakness to add to our position.

Within industrials, our exposure to **Aaon**, which makes air conditioning and heating equipment, and **WillScot**, a rental and leasing services business, hurt performance. Aaon declined during the review period, mainly due to challenges in its rooftop heating, ventilation and air conditioning segment which struggled with supply chain issues

challenges in its rooftop heating, ventilation and air conditioning segment, which struggled with supply chain issues and a transition to new refrigerant components. Additionally, weaker non-residential construction activity and facility start-up costs further pressured margins and production rates, leading to caution about the outlook despite strong growth in the data centre market. We added to Aeon on weakness, as we believe the long-term case for the company, including its alignment to data centre growth, remains compelling. WillScot fell in 1H 2025, mostly due to a decrease in leasing revenues and modular volumes, which were affected by seasonal weakness and higher interest rates. The company's margins were further pressured by a mix of unit sales, leading to a drop in earnings margins. Additionally, there was uncertainty related to US tariff policy and its potential impact on demand in the latter half of the year and beyond. Despite some positive indicators in quoting activity and order books, these challenges created investor concerns and pushed the share price lower. Nonetheless, we retain the position as we remain confident in WillScot as the company should be well-positioned once the cycle turns. Our large holding is a reflection of this confidence.

On the other hand, our stock selection in the technology and consumer discretionary sectors contributed to performance. Within technology, our exposure to **Allegro Microsystems**, a semiconductor producer, was the largest contributor. This stock benefited from signs of cyclical improvement and strong forward-looking indicators, such as increased orders and healthy demand for inventory held by distributors and wholesalers. Despite temporary gross margin softness, the company provided optimistic guidance for future quarters, supported by strategic innovation and a focus on key growth areas like electric vehicles and advanced driver-assistance systems. These factors, along with a reaffirmation of its long-term earnings potential, boosted investor confidence.

Within consumer discretionary, our exposure to **BJ's Wholesale Club**, a discount retailer, contributed positively to performance. The share price increased due to the business's consistent ability to drive traffic and membership growth; both of these metrics have risen for 13 consecutive quarters. The company successfully expanded its merchandise offerings and improved gross margins, appealing to consumers with its value-focused approach. Despite macroeconomic uncertainties and tariff concerns, BJ's maintained its fiscal year guidance, illustrating its resilience and strong market position.

Among individual names, our exposure to **RBC Bearings**, a manufacturer of precision bearings and components, proved beneficial. The company saw robust revenue growth in its aerospace and industrial segments, driven by strong demand in several plants and positive revenue synergies from its 2021 acquisition of its competitor, Dodge Mechanical Power Transmission. The company reported better-than-expected gross margins and a bullish outlook for commercial aerospace growth, supported by Boeing's production ramp-up. Investors have also welcomed RBC's ability to manage the adverse impact of tariffs so far and its strategic focus on high-demand markets.

### Portfolio Positioning

We continue to focus on quality stocks. In the first quarter, we took profits in many of our defensive outperformers which began to look expensive, and added to high quality cyclical names that had become more attractively valued during the market sell-off seen in the first four months of the year. More recently, we've seen less value in cyclical names, as these performed strongly in 2Q 2025, while quality defensives lagged, so we have been increasing our exposure to these types of stocks at more attractive levels.

Our largest absolute and relative overweight remains in industrials, where we continue to find compelling stock opportunities that meet our focus on high quality businesses and management teams, and our second largest overweight is within financials which is supported by our expectation of changes in the interest rate environment as well as potential for de-regulation. On the other hand, our largest underweights remain in the health care, technology, real estate and telecommunications sectors, where we struggle to find high-quality companies at compelling valuations.

### Market Outlook

US small caps have lagged large caps for several years. Small cap earnings have been challenged by an uneven macro environment, including inflationary cost increases, high interest rates and weak industrial demand. Large caps, on the other hand, have a greater capacity to cope with temporary macro shocks and higher rates, and large cap earnings have benefited more directly from significant investment in AI infrastructure. However, it is important for shareholders to bear in mind that while long periods of underperformance by US small caps are normal throughout the history of this sector, they are often followed by strong outperformance. Further, small cap valuations relative to large caps are now at historically attractive levels, while large cap index concentration is near levels that have historically heralded periods of small cap outperformance.

At the same time, the outlook for US equities looks promising. We believe earnings growth can broaden out as re-shoring, deregulation, and clarity around interest rate and tariffs boost domestic investment and corporate sentiment. This would benefit more economically sensitive areas of the market, including small caps, which generate 80% of earnings in the US and are very well represented in market indices, via high sector weightings in industrials, financials and materials. These conditions, combined with attractive relative valuations, suggest that history is set to repeat

itself, and we believe the portfolio is well-positioned to benefit from the next bout of small cap outperformance.

For and on behalf of the  
Investment Manager

**Don San Jose**

**Jon Brachle**

**Dan Percella**

Portfolio Managers  
2025

12th September

## **INTERIM MANAGEMENT REPORT**

The Company is required to make the following disclosures in its Half Year Report:

### **Principal and Emerging Risks and Uncertainties**

The principal risks and uncertainties faced by the Company fall into the following broad categories: underperformance; market and economic; competitive positioning; false adverse publicity; discount control; legislative change; loss of investment team or portfolio manager; outsourcing; cyber crime; and climate change. In addition, the following were identified as emerging risks: political and economic; and UK market attraction and/or liquidity. The Board continues to closely consider and monitor these risks. Information on each of these areas is given in the Strategic Report within the Annual Report and Financial Statements for the year ended 31st December 2024. In the view of the Board, these principal and emerging risks and uncertainties are as much applicable to the remaining six months of the financial year as they were to the six months under review.

### **Related Parties Transactions**

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

### **Going Concern**

In accordance with The Financial Reporting Council's guidance on going concern and liquidity risk, the Directors have undertaken a rigorous review of the Company's ability to continue as a going concern. The Board has, in particular, considered the impact of heightened market volatility since the Russian invasion of Ukraine and the unrest in the Middle East, the inflationary environment and other geopolitical and financial risks. However, it does not believe the Company's going concern status is affected. The Company's assets, the vast majority of which are investments in quoted securities which are readily realisable, exceed its liabilities significantly under all stress test scenarios reviewed by the Board. Gearing levels and compliance with borrowing covenants are reviewed by the Board on a regular basis. Furthermore, the Directors are satisfied that the Company and its key third party service providers have in place appropriate business continuity plans. Accordingly, having assessed the principal and emerging risks and other matters, the Directors believe that there are no material uncertainties pertaining to the Company that would prevent its ability to continue in such operational existence for at least 12 months from the date of the approval of this half yearly financial report.

### **Directors' Responsibilities**

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

- (i) the condensed set of financial statements contained within the half year financial report has been prepared in accordance with FRS 104 'Interim Financial Reporting' and gives a true and fair view of the state of affairs of the Company, and of the assets, liabilities, financial position and net return of the Company as at 30th June 2025 as required by the Disclosure Guidance and Transparency Rules 4.2.4R; and
- (ii) the interim management report includes a fair review of the information required by 4.2.7R and 4.2.8R of the Disclosure Guidance and Transparency Rules.

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

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

Company will continue in business,

and the Directors confirm that they have done so.

For and on behalf of the Board

**Dominic Neary**

Chair  
2025

12th September

## **CONDENSED STATEMENT OF COMPREHENSIVE INCOME**

	(Unaudited) Six months ended 30th June 2025			(Unaudited) Six months ended 30th June 2024			(Audited) Year ended 31st December 2024		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
(Losses)/gains on investments held at fair value through profit or loss	-	(38,798)	(38,798)	-	1,454	1,454	-	28,833	28,833
Net foreign currency exchange gains/(losses) on cash and loans	-	1,517	1,517	-	3	3	-	(383)	(383)
Income from investments	1,837	-	1,837	1,736	-	1,736	3,466	97	3,563
Interest receivable	166	-	166	377	-	377	579	-	579
<b>Gross return/(loss)</b>	<b>2,003</b>	<b>(37,281)</b>	<b>(35,278)</b>	<b>2,113</b>	<b>1,457</b>	<b>3,570</b>	<b>4,045</b>	<b>28,547</b>	<b>32,592</b>
Management fee	(203)	(811)	(1,014)	(195)	(779)	(974)	(407)	(1,626)	(2,033)
Other administrative expenses	(259)	-	(259)	(258)	-	(258)	(572)	-	(572)
<b>Net return/(loss) before finance costs and taxation</b>	<b>1,541</b>	<b>(38,092)</b>	<b>(36,551)</b>	<b>1,660</b>	<b>678</b>	<b>2,338</b>	<b>3,066</b>	<b>26,921</b>	<b>29,987</b>
Finance costs	(141)	(563)	(704)	(150)	(599)	(749)	(256)	(1,021)	(1,277)
<b>Net return/(loss) before taxation</b>	<b>1,400</b>	<b>(38,655)</b>	<b>(37,255)</b>	<b>1,510</b>	<b>79</b>	<b>1,589</b>	<b>2,810</b>	<b>25,900</b>	<b>28,710</b>
Taxation	(257)	-	(257)	(229)	-	(229)	(489)	-	(489)
<b>Net return/(loss) after taxation</b>	<b>1,143</b>	<b>(38,655)</b>	<b>(37,512)</b>	<b>1,281</b>	<b>79</b>	<b>1,360</b>	<b>2,321</b>	<b>25,900</b>	<b>28,221</b>
<b>Return/(loss) per share (note 3)</b>	<b>1.91p</b>	<b>(64.48)p</b>	<b>(62.57)p</b>	<b>2.03p</b>	<b>0.13p</b>	<b>2.16p</b>	<b>3.74p</b>	<b>41.72p</b>	<b>45.46p</b>

All revenue and capital items in the above statement derive from continuing operations.

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

The net return/(loss) after taxation represents the profit/(loss) for the period/year and also the total comprehensive income for the period/year.

## **CONDENSED STATEMENT OF CHANGES IN EQUITY**

	Called up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Capital reserves <sup>1</sup> £'000	Revenue reserve <sup>1</sup> £'000	Total £'000
<b>Six months ended 30th June 2025 (Unaudited)</b>						
<b>At 31st December 2024</b>	<b>1,635</b>	<b>45,758</b>	<b>1,854</b>	<b>240,603</b>	<b>3,939</b>	<b>293,789</b>
Repurchase of shares into Treasury	-	-	-	(9,197)	-	(9,197)
Net (loss)/return for the period	-	-	-	(38,655)	1,143	(37,512)
Dividends paid in the period (note 4)	-	-	-	-	(1,829)	(1,829)
<b>At 30th June 2025</b>	<b>1,635</b>	<b>45,758</b>	<b>1,854</b>	<b>192,751</b>	<b>3,253</b>	<b>245,251</b>
<b>Six months ended 30th June 2024 (Unaudited)</b>						
<b>At 31st December 2023</b>	<b>1,638</b>	<b>45,758</b>	<b>1,851</b>	<b>226,987</b>	<b>3,491</b>	<b>279,725</b>
Repurchase of shares into Treasury	-	-	-	(7,885)	-	(7,885)
Repurchase and cancellation of forfeited shares <sup>2,3</sup>	(3)	-	3	(42)	-	(42)
Net return for the period	-	-	-	79	1,281	1,360
Dividends paid in the period (note 4)	-	-	-	-	(1,890)	(1,890)
Forfeiture of unclaimed dividends (note 4) <sup>2</sup>	-	-	-	-	17	17
<b>At 30th June 2024</b>	<b>1,635</b>	<b>45,758</b>	<b>1,854</b>	<b>210,130</b>	<b>2,800</b>	<b>271,285</b>

PERIOD ENDING 2024	1,000	75,100	1,000	219,100	2,000	211,200
<b>Year ended 31st December 2024 (Audited)</b>						
<b>At 31st December 2023</b>	<b>1,638</b>	<b>45,758</b>	<b>1,851</b>	<b>226,987</b>	<b>3,491</b>	<b>279,725</b>
Repurchase of shares into Treasury	-	-	-	(12,242)	-	(12,242)
Repurchase and cancellation of forfeited shares <sup>2,3</sup>	(3)	-	3	(42)	-	(42)
Net return for the year	-	-	-	25,900	2,321	28,221
Dividends paid in the year (note 4)	-	-	-	-	(1,890)	(1,890)
Forfeiture of unclaimed dividends (note 4) <sup>2</sup>	-	-	-	-	17	17
<b>At 31st December 2024</b>	<b>1,635</b>	<b>45,758</b>	<b>1,854</b>	<b>240,603</b>	<b>3,939</b>	<b>293,789</b>

1 Part of these reserves form the distributable reserves of the Company and may be used to fund distributions to shareholders.

2 During 2024, the Company undertook an Asset Reunification Program to reunite inactive shareholders with their shares and unclaimed dividends. In accordance with the Company's Articles of Association, the Company exercised its right to forfeit the shares belonging to untraced shareholders for a period of 12 years or more. These shares were bought back by the Company and cancelled. The proceeds, net of costs, were returned to the Company. In addition, any unclaimed dividends older than 12 years from the date of payment of such dividend were forfeited and returned to the Company.

3 The Company repurchased and subsequently cancelled forfeited shares at a total cost of £400,000. The amount due on these forfeited shares was £358,000, leading to a net cost of £42,000. As a result, for the six months ended 30th June 2024, the capital redemption reserve and capital reserves have been restated to align with the accounting treatment applied at the year ended 31st December 2024. There is no impact from this restatement to the net assets as reported.

## CONDENSED STATEMENT OF FINANCIAL POSITION

	(Unaudited) At 30th June 2025 £'000	(Unaudited) At 30th June 2024 <sup>1</sup> £'000	(Audited) At 31st December 2024 £'000
<b>Fixed assets</b>			
Investments held at fair value through profit or loss	262,819	279,804	316,510
<b>Current assets</b>			
Debtors	683	561	265
Current assets investments <sup>1</sup>	9,682	7,334	1,265
Cash at bank <sup>1</sup>	368	-	10
	<b>10,733</b>	<b>7,895</b>	<b>1,540</b>
<b>Current liabilities</b>			
<b>Creditors:</b> amounts falling due within one year	(28,301)	(16,414)	(24,261)
<b>Net current liabilities</b>	<b>(17,568)</b>	<b>(8,519)</b>	<b>(22,721)</b>
<b>Total assets less current liabilities</b>	<b>245,251</b>	<b>271,285</b>	<b>293,789</b>
<b>Net assets</b>	<b>245,251</b>	<b>271,285</b>	<b>293,789</b>
<b>Capital and reserves</b>			
Called up share capital	1,635	1,635	1,635
Share premium	45,758	45,758	45,758
Capital redemption reserve	1,854	1,854	1,854
Capital reserves	192,751	219,139	240,603
Revenue reserve	3,253	2,899	3,939
<b>Total shareholders' funds</b>	<b>245,251</b>	<b>271,285</b>	<b>293,789</b>
<b>Net asset value per share</b> (note 5)	<b>421.2p</b>	<b>439.9p</b>	<b>484.6p</b>

1 As at 30th June 2024, the 'Cash and cash equivalents' line item in the Statement of Financial Position has been revised to 'Cash at bank' and 'Current asset investments'. This revision separately reports the £7334,000 investment in the JPMorgan USD Liquidity Fund as 'Current asset investments' and £nil as 'Cash at bank', in accordance with the statutory format required by the Companies Act 2006. This adjustment does not affect any other line items in the Statement of Financial Position or the total current assets.

## CONDENSED STATEMENT OF CASH FLOWS

	(Unaudited) Six months ended 30th June 2025 £'000	(Unaudited) Six months ended 30th June 2024 £'000	(Audited) Year ended 31st December 2024 £'000
<b>Cash flows from operating activities</b>			
Net (loss)/return before finance costs and taxation	(36,551)	2,338	29,987
Adjustment for:			
Net losses/(gains) on investments held at fair value through profit or loss	38,798	(1,454)	(28,833)

Net foreign currency exchange (gains)/losses	(1,517)	(3)	383
Dividend income	(1,837)	(1,736)	(3,563)
Interest income	(166)	(377)	(579)
Realised (losses)/gains on foreign currency exchange transactions	(48)	45	44
Realised foreign currency exchange losses on JPMorgan USD Liquidity Fund	(353)	(291)	(464)
(Increase)/decrease in accrued income and other debtors	(28)	6	1
Increase/(decrease) in accrued expenses	1,828	(88)	62
Net cash inflow/(outflow) from operations before dividends, interest and taxation	126	(1,560)	(2,962)
Dividends received	1,612	1,452	3,009
Interest received	166	455	657
Overseas withholding tax recovered	19	29	29
<b>Net cash inflow from operating activities</b>	<b>1,923</b>	<b>376</b>	<b>733</b>
Purchases of investments	(42,117)	(39,427)	(120,370)
Sales of investments	56,785	44,988	116,679
<b>Net cash inflow/(outflow) from investing activities</b>	<b>14,668</b>	<b>5,561</b>	<b>(3,691)</b>
Dividends paid	(1,829)	(1,890)	(1,890)
Refund from forfeiture of unclaimed dividends	-	17	17
Net cost of repurchasing and cancelling forfeited shares <sup>1</sup>	-	(42)	(42)
Repurchase of shares into Treasury	(8,763)	(7,669)	(12,242)
Repayment of bank loan	(23,228)	(7,850)	(7,850)
Drawdown of bank loan	27,099	-	7,888
Loan interest paid	(729)	(794)	(1,305)
<b>Net cash outflow from financing activities</b>	<b>(7,450)</b>	<b>(18,228)</b>	<b>(15,424)</b>
<b>Increase/(decrease) in cash and cash equivalents</b>	<b>9,141</b>	<b>(12,291)</b>	<b>(18,382)</b>
Cash and cash equivalents at start of period/year	1,275	19,237	19,237
Foreign currency exchange movements	(366)	388	420
<b>Cash and cash equivalents at end of period/year</b>	<b>10,050</b>	<b>7,334</b>	<b>1,275</b>
<b>Cash and cash equivalents consist of:</b>			
Cash at bank	368	-	10
Current assets investments in JPMorgan USD Liquidity Fund	9,682	7,334	1,265
<b>Total</b>	<b>10,050</b>	<b>7,334</b>	<b>1,275</b>

<sup>1</sup> The Company repurchased and subsequently cancelled forfeited shares at a total cost of £400,000. The amount due on these forfeited shares was £358,000, leading to a net cash outflow of £42,000. For the period ended 30th June 2024, the amount has been restated to show the net cash outflow of £42,000.

## **NOTES TO THE CONDENSED FINANCIAL STATEMENTS**

### **For the six months ended 30th June 2025**

#### **1. Financial statements**

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

The figures and financial information for the year ended 31st December 2024 are extracted from the latest published financial statements of the Company and do not constitute statutory accounts for that year. Those financial statements have been delivered to the Registrar of Companies including the report of the auditor which was unqualified and did not contain a statement under either section 498(2) or 498(3) of the Companies Act 2006.

#### **2. Accounting policies**

The condensed financial statements have been prepared under the historical cost convention, modified to include fixed asset investments at fair value, and in accordance with the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice (UK GAAP), including 'the Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and with the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' (the 'SORP') issued by the Association of Investment Companies in July 2022.

FRS 104, 'Interim Financial Reporting', issued by the Financial Reporting Council ('FRC') in March 2015 has been applied in preparing this condensed set of financial statements for the six months ended 30th June 2025.

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

The accounting policies applied to this condensed set of financial statements are consistent with those applied in the financial statements for the year ended 31st December 2024.

#### **3. (Loss)/return per share**

(Unaudited) Six months ended 30th June 2025	(Unaudited) Six months ended 30th June 2024	(Audited) Year ended 31st December 2024
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	£'000	£'000	£'000
(Loss)/return per share is based on the following:			
Revenue return	1,143	1,281	2,321
Capital (loss)/return	(38,655)	79	25,900
<b>Total (loss)/return</b>	<b>(37,512)</b>	<b>1,360</b>	<b>28,221</b>
Weighted average number of shares in issue	59,950,192	63,000,907	62,082,503
Revenue return per share	1.91p	2.03p	3.74p
Capital (loss)/return per share	(64.48)p	0.13p	41.72p
<b>Total (loss)/return per share</b>	<b>(62.57)p</b>	<b>2.16p</b>	<b>45.46p</b>

#### 4. Dividends paid

	(Unaudited) Six months ended 30th June 2025		(Unaudited) Six months ended 30th June 2024		(Audited) Year ended 31st December 2024	
	Pence	£'000	Pence	£'000	Pence	£'000
<b>Dividend paid</b>						
Final dividend in respect of prior year	3.10	1,829	3.00	1,890	3.00	1,890
<b>Total dividends paid in the period/year</b>	<b>3.10</b>	<b>1,829</b>	<b>3.00</b>	<b>1,890</b>	<b>3.00</b>	<b>1,890</b>
Forfeiture of unclaimed dividends over 12 years	-	-	-	(17)	-	(17)
<b>Net dividends</b>	<b>-</b>	<b>1,829</b>	<b>-</b>	<b>1,873</b>	<b>-</b>	<b>1,873</b>

The dividend paid in the period/year has been funded from the revenue earnings.

No interim dividend has been declared in respect of the six months ended 30th June 2025 (2024: nil).

#### 5. Net asset value per share

	(Unaudited) Six months ended 30th June 2025		(Unaudited) Six months ended 30th June 2024		(Audited) Year ended 31st December 2024	
		£'000		£'000		£'000
Net assets (£'000)		245,251		271,285		293,789
Number of shares in issue at period/year end		58,219,730		61,669,962		60,622,264
<b>Net asset value per share</b>		<b>421.2p</b>		<b>439.9p</b>		<b>484.6p</b>

#### 6. Fair valuation of instruments

The fair value hierarchy analysis for financial instruments held at fair value at the period end is as follows:

	(Unaudited) Six months ended 30th June 2025		(Unaudited) Six months ended 30th June 2024		(Audited) Year ended 31st December 2024	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	262,819	-	279,804	-	316,510	-
Level 2 <sup>1</sup>	9,682	-	7,334	-	1,265	-
<b>Total value of investments</b>	<b>272,501</b>	<b>-</b>	<b>287,138</b>	<b>-</b>	<b>317,775</b>	<b>-</b>

<sup>1</sup> Level 2 consists of the current assets investments in JPMorgan USD Liquidity Fund

#### 7. Analysis of changes in net debt

	As at		Foreign currency exchange movements £'000	As at 30th June 2025 £'000
	31st December 2024 £'000	Cash flows £'000		
<b>Cash and cash equivalents</b>				
Cash at bank	10	358	-	368
Current assets investments <sup>1</sup>	1,265	8,783	(366)	9,682
	<b>1,275</b>	<b>9,141</b>	<b>(366)</b>	<b>10,050</b>
<b>Borrowings</b>				
Debt due within one year - ScotiaBank	(23,954)	23,228	726	-
Debt due within one year - Bank of America <sup>2</sup>	-	(27,099)	1,558	(25,541)
Net borrowings	<b>(23,954)</b>	<b>(3,871)</b>	<b>2,284</b>	<b>(25,541)</b>
<b>Net debt</b>	<b>(22,679)</b>	<b>5,270</b>	<b>1,918</b>	<b>(15,491)</b>

- <sup>1</sup> Entirely invested in JPMorgan USD Liquidity Fund, a AAA rated money market fund which seeks to achieve a return in line with prevailing money market rates whilst aiming to preserve capital consistent with such rates and to maintain a high degree of liquidity.
- <sup>2</sup> On 14th March 2025 the Company renewed its loan facility with a new loan provider, Bank of America. Under the terms of this current agreement, the Company may draw down up to US 40 million loan facility (including an accordion facility of US 5 million), at a compounded interest rate of the Secured Overnight Financing Rate (SOFR) plus a margin of 1.00% (Dollar denominated loans). The new facility is a 360 day evergreen facility. As at 30th June 2025, US 35 million was drawn down.

## **JPMORGAN FUNDS LIMITED**

12th September 2025

For further information, please contact:

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Neither the contents of the Company's website nor the contents of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into, or forms part of, this announcement.

## **ENDS**

A copy of the Half Year Report will be submitted to the National Storage Mechanism and will shortly be available for inspection at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>

The Half Year Report will also shortly be available on the Company's website at [www.jpmmusmallercompanies.co.uk](http://www.jpmmusmallercompanies.co.uk) where up to date information on the Company, including daily NAV and share prices, factsheets and portfolio information can also be found.

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